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JPRS Report

Near East & South Asia

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CONTENTS

21 March 1991

ARMENIAN AFFAIRS

Return of 'Totalitarianism' Feared in ArSSR <i>[Paris GAMK 26-27 Jan]</i>	1
ArSSR Referendum on Independence Discussed <i>[Paris GAMK 6 Feb]</i>	1
Dashnak Press Center Chief on Hurdles, Plans <i>[Paris GAMK 28-29 Jan]</i>	1

NEAR EAST

EGYPT

Professor Criticizes AL-AHALI Pro-Iraq Stance <i>[AL-AHRAM AL-DUWALI 7 Mar]</i>	3
Former Prime Minister Specifies 18 Areas Needing Reform <i>[AL-AHRAM AL-IQTISADI 21 Jan]</i>	6
Writer Criticizes Media Coverage of Gulf Crisis <i>[AL-AHRAM AL-DUWALI 11 Feb]</i>	14

IRAQ

Opposition Leader on Party's Goals <i>[London AL-SHARQ AL-AWSAT 9 Feb]</i>	16
Islamic Leader Interviewed on Nation's Future <i>[London AL-SHARQ AL-AWSAT 11 Feb]</i>	18

ISRAEL

Missiles, Curfew Impact Economy <i>[MA'ARIV 12 Feb]</i>	21
---	----

JORDAN

Israeli Military Experts Profile Muslim Radicals <i>[Tel Aviv HA'ARETZ 15 Mar]</i>	23
--	----

KUWAIT

Political, Academic Figures on Reconstruction Issues <i>[London AL-MAJALLAH 6 Feb]</i>	23
Central Bank Director on Status of Banking, Investments <i>[London SAWT AL-KUWAYT 14 Feb]</i>	31

MOROCCO

1990 Crop Yields Show Mixed Results	33
Sugar, Grains <i>[LA VIE ECONOMIQUE 18 Jan]</i>	34

SOUTH ASIA

INDIA

Handling of U.S. Aircraft Refuelling Criticized <i>[DECCAN HERALD 19 Feb]</i>	38
Controversy Over Refueling of U.S. Planes	38
Cessation Confirmed <i>[THE HINDU 20 Feb]</i>	38
Issue in Lok Sabha <i>[THE TIMES OF INDIA 23 Feb]</i>	38
Political Significance <i>[THE TIMES OF INDIA 9 Feb]</i>	39
Shukla Comments on Bombing of Baghdad <i>[THE HINDU 15 Feb]</i>	40
Rajiv Voices Concern Over High Prices, Budget <i>[DECCAN HERALD 18 Feb]</i>	41
Report on Shekhar's Visit to Nepal <i>[THE HINDU 15 Feb]</i>	41
Developments in Indo-Soviet Trade, Relations	42
Consumer Electronics Pact <i>[THE TIMES OF INDIA 23 Feb]</i>	42
Aviation Agreement <i>[PATRIOT 13 Feb]</i>	43

Nuclear Submarine Returned / <i>THE HINDU</i> 8 Feb/	43
Kashmir Discussed at Geneva Meeting / <i>THE STATESMAN</i> 7 Feb/	43
Efforts Toward Good Relations With Nepal Noted / <i>DECCAN HERALD</i> 18 Feb/	44
Portugal To Return Gold From Enclaves / <i>THE TIMES OF INDIA</i> 15 Feb/	44
Assam Rebels Set Terms for Talks / <i>PATRIOT</i> 5 Feb/	45
ULFA's Olive Wreath Said 'Tactic for Buying Time' / <i>DECCAN HERALD</i> 19 Feb/	45
Presidential Rule Imposed in Tamil Nadu	46
Events of Day Reported / <i>THE TIMES OF INDIA</i> 31 Jan/	46
Text of Proclamation / <i>THE HINDU</i> 1 Feb/	47
Divisions in Ladakh Said Growing / <i>FRONTLINE</i> 15 Mar/	48
CPI Welcomes Statement on Punjab / <i>THE HINDU</i> 9 Feb/	50
CPI-M Official Scores Soviet Policy / <i>THE TIMES OF INDIA</i> 13 Feb/	50
CPI-M Leader Scores Policy on Punjab / <i>THE TIMES OF INDIA</i> 14 Feb/	50
JP President Swamy Comments on New Coalition / <i>DECCAN HERALD</i> 18 Feb/	51
BJP National Executive Meet, Plenum Reported	52
National Executive Meeting / <i>THE TIMES OF INDIA</i> 21 Jan/	52
Advani Meets Press / <i>THE STATESMAN</i> 21 Jan/	53
New President's Address / <i>THE HINDU</i> 2 Feb/	53
Resolution on Gulf / <i>THE HINDU</i> 2 Feb/	55
Economic Resolution / <i>THE HINDU</i> 2 Feb/	55
Political Resolution / <i>THE HINDU</i> 4 Feb/	56
Joshi 3 Feb Speech / <i>THE HINDU</i> 4 Feb/	57
Action Plan Described / <i>THE HINDU</i> 4 Feb/	57
BJP Said Ready for Elections	58
Prepares Election Strategy / <i>SUNDAY</i> 23 Feb/	58
Ready for Elections / <i>SUNDAY</i> 23 Feb/	59
Government Flaws Blamed on 'Unscrupulous' Politicians / <i>DECCAN HERALD</i> 18 Feb/	60
Press Council Guidelines on Communal Reporting / <i>THE TIMES OF INDIA</i> 4 Feb/	62
Papers Report Forward Bloc Party Congress	62
Opening Day Activities / <i>THE HINDU</i> 11 Feb/	62
CPI-M Criticized / <i>THE HINDU</i> 11 Feb/	63
Resolutions Reported / <i>THE HINDU</i> 13 Feb/	63
Commentary Views Pre-Midterm Poll JD Maneuvers / <i>DECCAN HERALD</i> 19 Feb/	63
Commentary Forecasts Early General Elections / <i>DECCAN HERALD</i> 19 Feb/	65

PAKISTAN

U.S. Said To Place Country in 'Unfavorable Nation Category' / <i>DAWN</i> 21 Feb/	66
Khan Stresses 'Nuclear Technology at All Costs' / <i>DAWN</i> 21 Feb/	66
Premier's Package Viewed, Economist Interviewed / <i>VIEWPOINT</i> 14 Feb/	67
Sindh Government Said Instituting False Cases / <i>DAWN</i> 20 Feb/	70
Population Growth Termed 'Demographic Bomb' / <i>THE FRONTIER POST</i> 15 Feb/	71
Farmer Upholds 'Depoliticising' Agriculture / <i>VIEWPOINT</i> 14 Feb/	71
Privatization Moves Questioned / <i>DAWN</i> 20 Feb/	74
Article Probes Retrenchment in Pakistan Steel / <i>VIEWPOINT</i> 14 Feb/	76
Bonded Labor Issue Explored / <i>VIEWPOINT</i> 14 Feb/	77

Return of 'Totalitarianism' Feared in ArSSR

91AS06044 Paris GAMK in Armenian 26-27 Jan 91 p 1

[“Declaration” by the Central Committee of the Armenian Revolutionary Federation in Soviet Armenia issued on 23 January 1991]

[Text] The explosive situation that has been created in the Soviet Union and the already evident consequences of the antidemocratic measures to “neutralize” that situation are having their influence on the political, economic, moral, and psychological life of the Armenian Republic.

Certain political elements and independent groups, agitated by hopes of a return to totalitarianism, have stepped up their antinational activities and have been trying to frustrate attempts to rectify the situation in the republic and efforts to help the Armenians of Artsakh by hatching dangerous plots using hired resources. These groups have blocked the stabilization of the republic's internal life, while the populations of the disaster zone and the refugees remain without solace and the critical condition of the republic's economy persists.

In pursuit of far-reaching political goals, attempts have been made to create so-called “fronts” to replace legitimate governments using indiscriminate means to rally forces.

In view of these observations, the Central Committee of the Armenian Revolutionary Federation [ARF] in Armenia declares that every attempt to destabilize the political, social, and economic life of the republic is fraught with the danger of confrontations that may hurt the nation and constitute nothing more than a treason against the liberation struggle and the lofty vision of the Armenian people.

The ARF calls upon all political forces and public organizations that have enrolled in the national liberation struggle and the entire population of the republic to unite against the threat that is taking shape and to defend our process of independence so that we can drive it to its triumphant conclusion by balanced steps.

ArSSR Referendum on Independence Discussed

91AS0604C Paris GAMK in Armenian 6 Feb 91 p 1

[Text] The Armenian Supreme Soviet declared on 31 January that it considers the 17 March 1991 referendum on the preservation of the USSR ill-prepared and that it finds its implementation unacceptable.

A referendum which expresses our people's opinion on staying within the structure of the USSR can serve as a significant tool in the hands of our authorities who have embarked on the path of independent statehood.

The Armenian Republican Party [ARP] organized a consultative meeting on this issue on 31 January. The meeting was attended by representatives of the National Self-determination Association [NSA], the Communist

Party, the Constitutional Right Association [CRA], and the Democratic Liberal [Ramgavar] Party. Representatives of the Armenian Revolutionary Federation and the Armenian Pannational Movement were also invited to the meeting, but they did not attend for various reasons.

NSA representative Gevorg Mirzoyan said that before the referendum on the preservation of the union is held, a referendum must be held in the republic on the issue of whether to secede from the USSR.

Grant Khachatryan of the CRA declared that the referendum must be held in accordance with the decision of the Armenian Supreme Soviet and the laws of the republic.

Ashot Navasartyan said that the ARP supports the holding of the [republican] referendum only if it knows that it will have a positive outcome. He added: “Otherwise, the referendum would constitute a major hurdle on our path to independence.”

Alexandr Tateosyan, a member of the Communist Party said that his party opposes immediate independence and that, therefore, it does not find it appropriate to participate in the [republican] referendum.

Ramgavar representative Harut Tanielian welcomed the idea of convening similar meetings, but did not clarify his party's position on the referendum issue.

The participants in the meeting agreed in principle on holding a referendum in the republic on whether to secede from the USSR. It was decided to hold another meeting, with the participation of representatives from absent parties and organizations, a week later to take a final decision on this matter.

Dashnak Press Center Chief on Hurdles, Plans

91AS0604B Paris GAMK in Armenian 28-29 Jan 91 p 3

[Interview with Apo Boghikian, director of the Armenian Revolutionary Federation Press and Information Center in Soviet Armenia, by Ruzan Arakelyan in Yerevan; date not specified]

[Excerpts] The rebirth of the Armenian Revolutionary Federation [ARF] in the Fatherland and its concrete and serious activities meant that the party would have its press organ. However, in view of current difficulties and time pressures, the party also established its own press and information center in Yerevan. This move truly stemmed from a national need and is a national service. First, it strengthens ties between the Diaspora and the Fatherland. Second, news from the outside world is disseminated more quickly, directly, and in a timely manner. This is of vital significance in today's atmosphere in Armenia.

Apo Boghikian, the director of the center and a Diaspora journalist, said during our conversation: “Since the establishment of this center, Diaspora papers have had no difficulty in obtaining news from the Fatherland. That used to be extremely difficult until now.”

The center envisages to open branches in different regions of the republic as well as in the overseas and internal diaspora. It also plans to establish ties with international news organizations. I am confident that this center, which I had the opportunity to visit, will realize its plans because, the difficulties notwithstanding, the center has devoted men and women who have an unbiased attitude toward their work.

[Arakelyan] Given that your organization is the second officially approved news agency in the republic--after ARMENPRES—it appears reasonable that it should be supported by the government to some extent. In other words, is your work supported in any way?

[Boghikian] I do not agree that our press center should be supported by the government. The center was created at the initiative of the ARF Bureau and therefore enjoys its full support. We only expect from the government to accord us equal treatment, that is, to offer us the same easements and opportunities [it offers other news agencies]. We have no objection to government resources and facilities being offered to news agencies that are directly subject to it. For example, if ARMENPRES is a government news agency, it must have the government's full support. We have no right to demand identical treatment. [passage omitted]

[Arakelyan] I think that one of your difficulties is the recruitment of trained staff for the center. Are you having any success?

[Boghikian] Yes, we have encountered serious difficulties in the task of recruiting young and talented journalists who have broken the molds of the past in their mentality or who are free-thinkers. We are constantly looking for such people. It seems that this search will take a long time. We are looking for bold and ingenious people who can take the initiative, who are knowledgeable about national and international affairs, who have basic journalistic skills, and who have inquiring minds so that they can serve as the public's eyes on the government and democratic institutions that are currently taking shape. Unfortunately, journalism has always been a weak and repressed field in the Armenian reality. The Diaspora has a great and brilliant heritage in this field. Armenia can take great pride for and make use of that heritage. There are prominent journalists of Armenian ancestry in the foreign press, but that standard of journalism remains absent in Armenian papers. We aspire to that standard today. Consequently, we have to learn lessons from the Western press. It would be difficult to find trained journalists who have experience in that press. Therefore, we must create working conditions

which allow journalists to gain experience and knowledge while working here. Our duty is to create these conditions.

[Arakelyan] Is affiliation with the party a mandatory requirement [for employment at the center]?

[Boghikian] No, membership in the Dashnak Party is not required for employment in the ARF Press and Information Center. We are looking for trained journalists who will be able to gather accurate information about the reality of Armenia. How that information is used by Dashnak or non-Dashnak papers is the affair of the editors of those papers. The Dashnak character of the center must become evident only in the choice of themes. In other words, the affiliation of the journalists with a Dashnak news agency will be evident only from the issues they examine and the areas on which they focus their information-gathering efforts. We will publish the news with as little editorial policy as possible.

[Arakelyan] What plans do you have for the center's future activities? Also, what plans do you have for yourself personally, because as far as I know you plan to settle in Armenia permanently?

[Boghikian] In the last three years, the Armenian people experienced first hand the absence of or limitations on accurate reporting. It is meaningless to speak again on this issue now. Providing accurate and comprehensive information about the events in Armenia and delivering that information to the Armenian and non-Armenian public is a complex and difficult task. The ARF Press and Information Center will contribute to that work by trying to complement the work of government or other independent news centers and agencies.

In the first stage of its organization, the center primarily focused on conveying to Dashnak dailies and weeklies published in the Expatria news about developments in Armenia. Later, the center's activities were gradually expanded. Steps were taken to gather more extensive information about Armenia and to keep Armenia's press informed about the day-to-day affairs of the expatriate Armenian communities. Although the difficulties preventing us from carrying out this work adequately and at the desired speed have not yet been overcome, they will be overcome.

Our activities in the immediate future will proceed in the direction of obtaining international news. In this area, we can offer invaluable services to our people. In other words, we must create facilities which will enable us to convey international news to the newspapers and people of the Fatherland quickly. Today, we are working to resolve the technical difficulties associated with that work. [passage omitted]

EGYPT

Professor Criticizes AL-AHALI Pro-Iraq Stance

91AA0242A Cairo AL-AHRAM AL-DUWALI in Arabic
7 Mar 91 p 9

[Article by Dr. Fu'ad Zakariya: "Where Is Flaw"]

[Text] I admit to the reader that I felt extremely sorry when I heard news of the land war which erupted when Iraq rejected the ultimatum to withdraw from Kuwait. But the reason for my sorrow was completely different from the reasons cited by those who imagine that destroying Iraq is a crime but destroying Kuwait is a unity-oriented pan-Arab act and that the Iraqi army—after all the terrible atrocities it has committed in Kuwait, after all the destruction it has perpetrated for the sake of destruction, and after the vengeful acts which belie hatred for a people who had supported, loved, and sympathized with this army—is a nationalist Arab army that can be a future asset for the Arab nation. These mistaken reasons are not what made me feel sorry for the eruption of the ground war. The reason is that the speed with which this war was launched has caused the loss of an immense opportunity to expose this leader who has been praised by more than one half the Arab people and who is still being defended, at times directly and at others indirectly, by a number of our country's elite intellectuals.

The conclusions that could be made from Iraq's acceptance of the initiative offered by the Soviet leadership prior to the outbreak of the battle are profoundly significant conclusions which expose the nature of the fallen thinking that proliferated throughout the Arab nation since the start of this crisis. I cannot abandon the talk about the connection between this Arab thinking and this crisis. Rather, I consider it a most important issue for an obvious reason, namely that political and military changes occur at the hands of this nation's intellectuals. Our thinking method is the constant element and is what will continue to control our future whereas political and military conditions change from day to day. The main danger is in the fact that broad sectors among us think in a manner which, after Saddam and his regime are eliminated, could lead to a recurrence of the phenomenon and to the emergence of a second and a third Saddam. This is why I have focused on the method with which the Arab intellect has confronted this crisis.

Iraq's acceptance of the Soviet initiative exposed numerous things which should be pondered by our intellectuals who support or pity Saddam. First, it exposed the disgraceful duplicity which made Saddam address his people with the language of defiance, steadfastness, and courage in confronting the enemies while at the same time his foreign minister was negotiating with the Soviets on accepting unconditional withdrawal. Once again, the Arab masses have applauded and cheered a leader who despises and deceives his nation openly and shamelessly.

Second, the acceptance confirmed to those emotional masses in Amman, Rabat, and Khartoum the soundness of what we had been saying in Egypt from the outset, namely that all the Iraqi president's references to the Palestinian issue are an act of deception and camouflage intended to mobilize the ordinary Arab citizen behind this president, considering that the average citizen had become his greatest asset. In the Soviet initiative, Saddam ceded the alleged "linkage" with the Palestinian issue. This was the first item to be sacrificed by Saddam gladly. It is truly regrettable that the land war erupted so quickly that it covered up this scandal and restored to Saddam the image of martyr or hero among Arab masses who—had the land war come a little later or had the peace initiative continued to play its role in destroying his image—were bound to expose his deception and realize how unaware they had been throughout the past months. However, the real problem is, in my opinion, the stance taken by the intellectuals. Our country's masses still need to be guided and enlightened by the elite. But what excuse do our prominent intellectuals have when they submit to this mistaken logic?

The reactions of the intellectual group that chose to support the Iraqi position by one degree or another evoke in the mind a vast number of questions that are mingled with amazement and pain.

To begin with a recent and tangible reality so that we do not get lost in the heat of the verbal battles that have been raging on and that have assumed numerous and varied forms since the start of Iraq's invasion of Kuwait, let us examine the latest edition of AL-AHALI, dated 20 February, as an example of these reactions and let us analyze the contents of this edition with the greatest degree of objectivity one can possibly muster under these critical circumstances.

First, the general tone is the tone of fear for the Iraqi people from the horrors of the air war launched by the alliance forces, especially the U.S. forces. This is a new tone that is different from other past tones that lauded Iraq's steadfastness, that alluded at times to the "frustration" of the forces facing Iraq's army, and that might have gone at times as far as expecting a final military or political victory, or both, for the Iraqi side. The tone has changed from a tone singing the praises of heroism to a tone soliciting sympathy and asking for compassion. However, nobody has closely or remotely noted that the language of address has changed fundamentally and nobody has taken the poor reader's hand to lead him amidst this total intellectual confusion which is being experienced by the Arab world in these dark days.

When the emphasis is shifted from the heroic acts of Saddam's army and from this army's capability to inflict defeat on the world's army and when this emphasis is focused on the need to protect the Iraqi people from the act of annihilation being perpetrated by the raiding aircraft and attacking forces, then it is indubitable that the discussion becomes more realistic, though we wish this realism had surfaced at an early time so that it might

have obviated this current catastrophe. We wish this realism had not waited for the catastrophe to occur and then proceeded to express itself belatedly. The real problem is that this commiseration with the Iraqi people's catastrophe often takes the form of meaningless oneupmanship because the issue is presented in such a manner as to imply that public opinion in Egypt, and in the Arab world in general, is divided into two factions: a faction that is happy with the destruction of the Iraqi people, its utilities, its cities, and its installations and that rejoices at the catastrophe that has afflicted this fraternal country and a second faction that is concerned with the Iraqi people's safety.

In my opinion, this projection requires a fundamental reexamination. There are not among those opposed to the Iraqi invasion—there are not even among those who rejected the Iraqi regime's practices for years before the invasion of Kuwait, including this writer—any whose hearts have not been bleeding with grief since the first day of the terrible air bombing to which a dear fraternal people has been subjected. The problem is that this latter faction was aware from the first moment that such a catastrophe would inevitably happen if the Iraqi regime persisted in its insistence on occupying Kuwait and on its rejection of all local and international mediation. This is why in urging Iraq's ruler to withdraw, those who belong to this faction were actually urging him to spare his people and his country certain perdition. As for the former faction which calls today for protecting the Iraqi people from the horrors of the air bombing, it includes among its followers those who encouraged the Iraqi regime to persist on the path leading to perdition. Had Arab public opinion opposed Iraq's invasion of Kuwait—which is a disgraceful act by all criteria—the Iraqi regime would not have persisted in the intransigence which has led its people to this grievous stage.

Thus, the real contrast is a contrast not between those who rejoice at the Iraqi people's catastrophe and those who sympathize with the Iraqi people but between those who wanted to avoid the catastrophe at the time when it was possible to avoid it and those who encouraged intensification of the catastrophe by openly or secretly sympathizing with the aggressor and by transforming the fundamental and decisive issue, namely the occupation of Kuwait, into twisted labyrinths concerning the presence of large numbers of foreign forces in the region, and so forth. It would have been much easier to settle all these issues had the main cause been eliminated at an early time. But was it possible to avoid the catastrophe which afflicted the Iraqi people when matters reached this point? Some say that the alliance forces have gone beyond their original objective, namely the liberation of Kuwait, to the evil objective of destroying Iraq and tearing it apart. Despite the pain that squeezes my heart whenever I see an Iraqi civilian suffering or an Iraqi fence destroyed, I cannot but be amazed at the shortsightedness of those who hold this opinion. I am one of those who truly believe that war is war and that as long as matters have reached the point of armed combat, then no force will be able to prevent either side from using all

the resources at its disposal to destroy the enemy, not only in the immediate battlefield but also including the enemy's basic utilities, supply lines, factories, and installations. In war, each side uses whatever elements of strength it has at its disposal. It is futile for some of us to tell the Americans these days: Confine yourselves to liberating Kuwait and leave Iraq's land and people in peace. The logic of war—the ugliest and lowliest form of human conduct—does not acknowledge this distinction. If, for example, Iraq had the military capacity to destroy all Saudi cities and installations, it would not have hesitated to do it. It has, in any case, tried to do so within the limits of its capabilities. But considering that its enemies' capabilities are immeasurably greater, it would be normal if the devastation emanating from their blows were much more serious.

The entire issue is confined to the question of reaching or not reaching the war option. If those who are demanding nowadays that the air bombing be toned down or that the war be ended had chosen from the outset to take an open stance against the criminal practices which were inevitably bound to ignite the fires of war and if they had warned the Iraqi regime against the dangers of the intransigence which this regime continued to display to the last moment, then their position would have been truly beneficial. But to come when the catastrophe has already occurred and demand a polished and limited war that does not destroy the infrastructure of a country which has chosen the path of war for itself—to demand such a thing is tantamount to no more than flawed thinking, not to say hypocrisy. By its nature, the war option is ugly and inhumane, and the blame falls squarely on the shoulders of those who have pushed the world to this option. Therefore, the true killer of these poor victims is the regime that rules them. Those who have colluded in this crime are all those who encouraged this regime to persist in the outrageous injustice it inflicted on the Kuwaiti people, on its own people, and on the Arab nation in its entirety.

Had our intellectuals stood firmly against tyranny and oppression, as Europe's intellectuals stood against Hitler, Mussolini, and Franco, they would have realized that as a consequence of the bloody nature of the regime itself, the Iraqi people have suffered in the past 10 years manifold what they have suffered as a consequence of the U.S. raids. Had these intellectuals confronted this regime firmly at the right time, neither the Americans nor others would have found an opportunity to destroy Iraq, which they are doing now.

Second, we are still talking about AL-AHALI's latest edition in its capacity as a model of this kind of thinking which, in my opinion, has helped intensify the catastrophe. This edition was issued after announcement of the first Iraqi initiative (15 February) which spoke of the word "withdrawal" for the first time. The attention of all those who dealt with this issue—and they are the elite of Egypt's writers and intellectuals—focused on denouncing rejection of the initiative by the Western countries and by their Arab partners in the alliance even

though the initiative contained positive elements capable of putting an end to the massacre.

But this initiative aroused ideas of a totally different kind in me. If the word "withdrawal" was mentioned in the initiative, then what for this entire ordeal? Had this word been uttered prior to 15 January, would not such an utterance have spared the Iraqi people all these grave catastrophes that have afflicted them? Moreover, what is the use of this adventure in the first place if the adventurer has undertaken to restore the situation existing prior to the adventure after leaving deep wounds in the heart of every Arab and after causing this fate-stricken Arab nation to lose the outcome of its effort and its sweat throughout dozens of years? Who, other than our enemies, has benefited from this disturbing nightmare that has afflicted us since 2 August?

Amidst the tens of thousands of lines and dozens of articles, I expected to find a single sentence denouncing this childish mockery that is claiming an entire nation as its victim. I expected the word "withdrawal" to cause people with a conscience and sound intellect to reconsider all their previous stances. Here is an oppressive ruling regime that is playing a game of "hide and seek" with its nation's present and future and that comes to tell us after all the torture, suffering, and pain of lost martyrs: "I have tricked you. Let us again start from the beginning." I expected this mockery--twice repeated within a few months, once with Iran immediately after the Kuwait crisis and once this month when the Iraqi regime became aware of the dark fate of which the youngest Arab child had been aware and about which he had spoken as of the first moment--to stir in the minds of our prominent intellectuals and writers a sincere desire to make the effort to examine the profound causes of this rude manipulation of the future of an entire nation. I also expected them to propose solutions that would prevent the recurrence of this manipulation and would put an end to these wicked experiments and these rash adventures whose exorbitant price is paid by us while the adventurers lose nothing. I thought that the mention of the word "withdrawal"--which means that all that has been previously said about historical rights, about governorate No. 19, and about keeping Kuwait forever an indivisible part of the "motherland"--was tantamount to slaps and insults to our minds. I believed that this slap would at least incite one of these writers to express his wrath at this childish mockery that has been repeated twice within a few months, that will implant among our people hatred and rancors that will not be erased by the years, and that will stymie our growth potentials for decades to come.

But I have not found a single line to this effect amidst the thousands of lines with which the genius of our writers and intellectuals in AL-AHALI has overflowed.

Third, the linkage issue resurfaces to impose itself forcefully on the pages of the newspaper which we consider a model of this thinking pattern that we are examining. In an article she has written, Dr. Nawal al-Sa'dawi asserts

that at a public meeting, she silenced an Israeli delegate who insisted that it is essential that Iraq withdraw from Kuwait by responding to this delegate with the decisive question: "And why don't you withdraw from Palestine?" The Israeli delegate could find nothing with which to answer this question. However, let the distinguished doctor permit me to put myself in this delegate's place and answer her, saying: "We do not withdraw from Palestine because we are your historical enemies and because there is between us and the Palestinians a struggle for survival on the same land. So how can you expect of us the same conduct that you expect of an Arab country toward another fraternal Arab country?"

The question of linking Iraq's occupation of Kuwait with Israel's occupation of Palestine is reiterated by everybody even though everybody is aware that the Iraqi regime did not invade Kuwait for the sake of Palestine but for purely material ambitions. Sometime after the invasion, the Iraqi media employed this weapon for a dual purpose: first, to win over the ordinary Arab by raising the issue dearest to his heart and, second, to prolong Kuwait's occupation for as long as is needed to solve an issue as complex and old as the Palestinian issue. Since then, everybody has been reiterating the well-known argument that says that the world deals according to a double standard, insisting on implementing the UN resolutions in the case of Kuwait and ignoring these resolutions in the case of Palestine.

In my opinion, this argument, reiterated by everybody in both East and West and by both supporters and opponents, leads to the opposite of what is desired from it. If it were not for the fact that people do not customarily consider carefully what they say, nobody would continue to reiterate this tattered argument. To clarify what I mean, let us consider the following example: If a judge sentences a murderer to death and a pickpocket to a six-month prison term, then it would not be permissible for anybody to speak of the application of a double standard. But if the judge sentences a murderer to death and another murderer who committed his crime under similar circumstances to a five-year prison term, then we could speak of a double standard and we could denounce the judge for it. What does this example mean? Nobody can or may speak about the application of a double standard except in the case of similar crimes. In other words, the criticism of those who criticize the international organizations for applying two different criteria in the case of Kuwait and Palestine is meaningless, unless they acknowledge that the crime is the same in both cases and that what Iraq has committed against Kuwait is similar to what Israel has committed against Palestine. What I mean is that it is impossible for anybody to use this argument unless he assumes in advance that Kuwait has suffered at the hands of Iraq an injustice similar to that suffered by Palestine at the hands of Israel and that despite this similarity, the international organizations deal with the two cases in two different ways.

When we realize that the first to innovate this argument was the Iraqi regime itself, that its emotional supporters

in Amman, Khartoum, and Rabat received it from this regime, and that the contagion has touched Dr. al-Sa'dawi and many others who write in the aforementioned newspaper, then it becomes obvious to us how the invasion supporters are making the most serious charges against this invasion, namely that it is not different from Israel's occupation of Palestine, while thinking that they are defending it and silencing its opponents. How will the world ridicule us when we ask it not to make a distinction in treating our historical adversary and our brother who is supposed to stand with us in the same trench against this adversary! If we considered carefully the meaning of what we say, we would cling to legitimacy in Kuwait's case instead of linking it to the legitimacy of the Palestinian issue for two reasons: first, so that we do not add a new catastrophe to the old one and, second, so that supporting international legitimacy in one case can become an argument for our insistence on this legitimacy in the other case. Otherwise, what would our position be if the international community says: "Are you protesting our application of two criteria? Well then, we will refrain from supporting Kuwait's cause so that there can be no discrimination between the two cases."

The Palestinian issue is, undoubtedly, everybody's issue. There is no place for oneupmanship here. But to say that this issue can be solved only by kidnaping a peaceable Arab country so that it may be kept a hostage until the main issue is solved is to ridicule our intellect and to flout our human values. Repeated injustice does not establish justice. How it behooves us to adhere to the principle of legitimacy in every case in which this principle arises so that this adherence can support our demand for Israel's withdrawal from every occupied territory!

These are, in any case, a few examples that I have chosen from a single newspaper and they contain that which exposes grave intellectual errors. If the ordinary citizen made such errors, he would be excused. But for the errors to be made by a select group of writers and intellectuals is an indication that the flaw is much too broad to be confined to Saddam Husayn's brains.

My last work to be published by the Egyptian press before I left for a trip of several weeks abroad was an article published by the same newspaper that I have cited today as an example to be analyzed which was entitled: "Has the Left Died?" In this article, I defended the survival of the left as a concept and a principle. Despite all the distance that our current world seems to be putting between itself and the left, despite the collapse of the left's mainstays, and even though I have believed and I continue to believe that the left, as a principle, will stay alive, I certainly did not mean "this" left.

Former Prime Minister Specifies 18 Areas Needing Reform

91AA0227A Cairo AL-AHRAM AL-IQTISADI in Arabic
21 Jan 91 pp 14-19

[Article by Dr. 'Ali Lutfi: "The 1,000-Day Plan"]

[Text] In his general address last 15 December to the People's Assembly and the Advisory Council President Muhammad Husni Mubarak asked members of these two bodies to draft what is being called "the 1,000-day plan" to liberate the Egyptian economy.

It is our judgment that the idea behind this plan, which is to be accomplished in no more than 1,000 days, is to change the Egyptian economy and to make it a free economy which relies basically on market forces and on supply and demand. This free economy would protect people living on fixed incomes and it would make allowances for them.

To be honest, we have to point out that since he took office late in 1981, President Muhammad Husni Mubarak has been giving the larger part of his attention as well as top priority to the economic problems which developed and accumulated during the past periods. In February of 1982 President Mubarak called for an economic conference to be convened. The conference which lasted three days was attended by the best economists in Egypt who ended up preparing a report about our economic problems and the best ways to confront them. Several months after that, implementation of the first Five-Year Plan (1982/83 - 1986/87) was started, and implementation of the second Five-Year Plan (1987/88 - 1991/92) was started after that.

A general economic reform program had been prepared during the eighties, and many policies and measures which had been incorporated into this program were enforced and applied. And yet, we are still facing many economic problems, foremost among which are those of unemployment, high prices, and indebtedness. Moreover, we are also facing the problem of the deficit in the country's general budget and that of the deficit in the balance of payments.

The fact that we have these problems in the early nineties despite the tremendous effort that was made during the eighties is, in our judgment, attributable to several reasons, the most important of which are:

- The enormity of the problems: These problems have been accumulating, and radical solutions were not set forth to confront them until the early eighties.
- The rapid growth of the population: The population has been growing at the rate of 1,300,000 persons per year.
- The emphasis placed during the eighties on infrastructure projects: Such emphasis was inevitable so that the country's base of production could be strengthened.

Given the foregoing, it was natural for the president to call for the liberation of the national economy, particularly since this would be consistent with the general tendency which has prevailed in the world in recent years. The world has been moving toward a free economy which relies on market forces and on the forces of supply and demand. It would be natural that when

such a change is made in the Egyptian economy, allowances would be made to provide protection for people living on fixed incomes.

The 1,000-day plan which is covered by this report is a specific plan with clear objectives which are to be implemented and followed up continuously during a period of 1,000 days.

We wish to point out here that while the proposed 1,000-day plan differs from the five-year plan and from the economic reform program, it does not conflict with either. It is known that the five-year plan has specific objectives which are to be implemented over a five-year period in the various sectors of the national economy. The economic reform program, however, covers the policies and measures which must be followed to confront the country's economic problems so that the goals of the five-year plan can be achieved under the existing economic system.

As we mentioned earlier, however, the aim of the 1,000-day plan is to liberate the national economy and to steer it toward a free economy.

It is worth noting here that the 1,000-day plan in its entirety is a national plan. The president proposed it; the People's Assembly and the Advisory Council are drafting it; and all citizens in Egypt will be involved in its implementation under the government's supervision. In other words, this plan is not being drafted, as some claim it is, to comply with the IMF. This plan is rather a national plan, and it is being drafted in the interests of the Egyptian people.

The policies which are to be followed and the measures which are to be taken in the context of the 1,000-day plan to liberate the Egyptian economy follow:

Agriculture

Despite the fact that considerable efforts were made in the area of agriculture, the agriculture sector continues to fall short of meeting the country's food needs, and the per capita share of farm land or harvested area is declining every year. Furthermore, agricultural exports are declining.

It is our judgment that liberating the agricultural sector will go a long way toward bringing about a major surge in this sector, and that would bring about an end to the problems it has been facing. The agricultural sector may be liberated by taking the following measures:

The law regulating the relationship between landlords and tenants is to be amended. On the one hand, this will bring about social justice, and, on the other, it will increase agricultural production.

The Agricultural Cooperative Act is to be amended to allow for the elimination of loopholes and incompatibilities. Cooperatives are to be given the right to establish firms which buy and sell production requirements.

Subsidies for agricultural production requirements are to be abolished.

A system which requires farmers to turn over their crops to the authorities and a system of mandatory prices are still being applied to three agricultural crops: cotton, sugar cane, and rice. These two systems are to be abolished.

Customs fees imposed on imported materials which are required for production are to be standardized regardless of the identity of the importer.

The Agricultural Development and Credit Bank is to be developed so it can do more than provide financing. The bank should play a part in developing the agricultural sector.

Agricultural crops which are needed in foreign markets are to be identified so that we can export them. A goal is to be set for the amount of each crop that is to be exported, and the responsibilities of each agency entrusted with this export activity are to be spelled out.

Farm land which is still owned by agricultural public sector firms is to be sold to the private sector, and proceeds from these sales are to be used to reclaim additional areas of land.

The measures which must be taken to acquire land for the purpose of reclaiming it are to be simplified and standardized.

Industry

At least 70 percent of the country's total industrial production comes from the industrial public sector which is facing many problems, most importantly, the problem of deteriorating financing institutions and the problem of weak industrial exports. Other problems include low production standards, a failure to observe the most modern technological developments, and the existence of some firms which are losing money.

The industrial private sector, however, which contributes no more than 30 percent of the country's total industrial production, continues to run into many obstacles. The liberation of the industrial sector requires that the following measures be taken:

A privatization policy is to be activated to rid the industrial public sector of marginal and small projects which the public sector should not have been involved in to begin with. However, public ownership of important strategic industries should continue.

The private sector is to contribute to some of the public sector projects which will continue to be part of the public sector. These contributions will provide the necessary funding which can solve the problem of deteriorating financing institutions. The task of refurbishing and modernizing the fixed assets of these public sector projects can then become possible.

Pertinent laws are to be amended to allow for the application of the two foregoing items.

Good judgment is to be exercised in choosing leaders of industrial public sector companies. Those chosen are to be appointed under limited term contracts which are not to be renewed until the success of these projects has been established.

Holding companies are to be established, and a special law regulating them is to be enacted. These holding companies are to function like general assemblies for joint-stock companies, and management is not to interfere with them. Naturally, this means that the authority which the Ministry of Industry exercises over industrial public sector companies will come to an end.

The idle capacity in industrial public sector companies is to be eliminated. According to the latest available data, idle capacity in 1986-1987 amounted to approximately 1.7 billion pounds, and that means approximately 15 percent of actual production that year.

Small Industries

Much has been said recently about small industries and the need to encourage them, and some steps have been taken to give them a boost. We hope that small industries will become the center of attention in the 1,000-day plan since they offer the proper approach to counter the problem of unemployment, which has grown recently. This may be accomplished by taking the following measures:

Favorable credit terms are to be made available to small industry projects.

Small industry projects are to be given the right to acquire land in industrial zones under a lease-purchase plan, and no interest is to be paid by them.

Small industry projects are to receive assistance in marketing their products, and locally produced products, which preserve quality, are to replace imported ones.

A map showing the geographical distribution of small industries in Egypt is to be drafted. These small industries are considered supportive and supplementary industries.

The managerial expertise and skills of the owners of small industries are to be developed to improve their performance standards.

A permanent exhibition where the products of small industries would be displayed is to be established.

Housing

Despite considerable efforts that were made in this regard, the housing problem remains acute. In the area of housing, the policy of liberating the national economy requires that the following measures be taken:

The law regulating the relationship between landlords and tenants is to be enacted. This law should give landlords a measure of justice, and it should guarantee security for the tenants.

Public sector housing firms should refrain from building luxurious homes and recreational villages for tourists. They should limit themselves to the construction of popular and economy housing.

The Cooperative Housing Act is to be amended, and adequate controls are to be provided in that law so that it can make an active contribution to a solution to the housing problem. Thus, the lack of controls and the corruption plaguing many cooperative housing societies can be brought to an end.

The policy of having local authorities build popular housing for people living on fixed incomes is to continue.

Investment

Increasing production, which is undoubtedly the proper or rather the only approach to dealing with our economic problems, depends basically on the volume of investments. Because the country's general budget does not provide for adequate investments, on the one hand, and because the general tendency is to hold the line on public investments except for infrastructure projects, investing in the private sector in the broad sense should be encouraged. This means investments in Egypt by Egyptians in Egypt, by Egyptians abroad, and by Arabs as well as foreigners should be encouraged.

It is our judgment that this requires taking the following measures:

The 1989 Investment Act, law number 320, is to be amended, particularly the following articles:

- The third paragraph of Article 20, which stipulates that workers receive no less than 10 percent of net profits but sets no maximum amount for the profits they may receive, is to be amended. The proposed amendment should stipulate that workers receive 10 percent of the profits which may be distributed and that said distributions should not exceed a worker's annual salary.
- The second paragraph of Article 2, which makes it possible for any agency other than the Investment Organization to cancel a permit given to a project to make use of buildings which had been designated for its use without showing due cause for its action, is to be amended. It is our judgment that this provision should be amended and this right should be limited to the Investment Organization so that project stability can be achieved.
- The third paragraph of Article Nine, which authorizes the Council of Ministers, when necessary, to set mandatory fixed prices on products, is to be repealed. It has been noticed that some ministries failed to adhere to the controls and guidelines set forth in the law when they set prices for the products of some investment projects.

The necessary amendments to the laws are to be made, particularly those laws which contain the measures that have to be taken when Arabs acquire real estate in Egypt. These measures are to be simplified and expedited.

The necessary changes are to be made to expedite the process of approving requests to transfer profits from investment projects abroad. The time for securing such approval is to be reduced from four months to one month only.

Discrimination between investment firms and other firms which are not subject to the investment law is to be abolished. It makes no sense, for example, that investment firms pay world prices for the electricity they use while other firms pay local prices.

Investments of all kinds which are made by Egyptians, Arabs, or foreigners are to be subject to the same laws. At the present time investments are subject to seven laws, and that creates confusion among investors. There is one [general] investment law, one for joint stock companies, another for the public sector, a law for investing in new residential communities, a law for investing in tourism and travel, a commercial registration law, and a stock market law. In addition, Egypt has a commercial law which was enacted in 1883 and remains in effect. Private companies are subject to that law.

Lists of permissible investment activities inside the country are to be abolished so that all investment activities can remain open to all investors. Only those activities in which investments are to be made under certain conditions may be listed. These lists, which are known as "negative lists," have been talked about frequently but none has appeared.

A committee is to be formed of duly qualified ministers and representatives of the private sector. Members of that committee are to meet once a month to identify the problems of the private sector and make immediate decisions about solving those problems and doing something about them.

Preliminary feasibility studies about a large number of projects which might be undertaken by the private sector are to be prepared. These projects are to be promoted in Egypt and abroad.

No restrictions whatsoever are to be placed on competition between the public and the private sectors. This means that competing with the public sector is not to be used as an excuse to deny the private sector the opportunity to set up any project whatsoever.

Total equality between the public and private sectors is to be achieved. No distinctions whatsoever are to be conferred upon the public sector and denied to the private sector.

An office attached to the general secretariat of the Council of Ministers is to be established to receive complaints from any investors who encounter obstacles. This office shall look into these complaints and take

whatever action is necessary immediately. Experience has shown that such an approach would most certainly bring about a major change in the conduct of officials with whom investors do business.

A law to assist companies which set up industrial projects, specifically small ones, and then leases them to the private and vocational sector is to be enacted. This "surrogate financing" allows the private and vocational sector, which can do a good job of managing such projects, to become involved in these industrial projects without assuming the burdens of securing the necessary finances for them, preparing the buildings that will house them, or purchasing the machinery that will be required for them.

The Tax Policy

The importance of taxes to the national economy does not have to be explained. Taxes are the main source of revenue for the state. They are an important tool by means of which economic and social goals can be achieved. It is our judgment that the following measures are required to liberate the tax policy:

A change is to be made from a system that levies many kinds of taxes to one that has a standardized tax. Such a system would simplify measures and make tax assessments and tax collections easier. Making this change would achieve fairness in taxation, and it would contribute to putting an end to tax evasion.

Tax exemptions are to be reconsidered. Experience has shown that some of these exemptions must be repealed and some must be amended. This would increase tax revenues.

The system by means of which different kinds of taxes are collected by branch offices of the Tax Administration is to be changed without delay to one in which these branch tax offices would collect all the taxes for a certain geographical area. Experience has shown that the latter system is better than the former.

The process of modernizing the organizations which are responsible for collecting taxes (income taxes, consumer taxes, and customs fees) is to be completed. Computers are to be introduced into these organizations, procedures are to be simplified, and workers are to be trained.

A sales tax act which would replace the consumer tax law is to be enacted without delay. This would be consistent with the prevalent approach to tax legislation in most countries of the world. Naturally, this will increase revenues. However, care must be taken to avoid double taxation. This means that taxes should not be levied on raw materials, on the products that go into manufactured goods, or on the final product. Imposing taxes on basic goods, at least at the present time, should also be avoided.

The Real Estate Tax Law should be amended to reduce registration fees. Because registration fees have risen considerably, individuals avoid registering their real

estate holdings. They go to court to establish the fact that certain property has been sold, and that has a negative effect on the revenues of the Real Estate Tax Department.

Family exemptions, which have not been changed since 1981, should be reconsidered. These exemption rates are no longer compatible with the prices which are prevalent at the present time.

Banking and Money Policy

Measures to liberate the rate of exchange are to be completed so that the rate of exchange can be standardized and there would be only one rate of exchange. The method we would then use for our economic accounting would be a proper one, and materials would be allocated with maximum efficiency.

A code for authorized money changers throughout the country is to be drafted. These people would assist the banking system in collecting foreign currency. They would be allowed to sell foreign currency to people who cannot get this foreign currency from the banks but who need it to receive treatment abroad, to travel abroad for business or pleasure, and to open a credit account in case foreign currency is not available in the banks.

The interest rate structure is to be amended to allow for a minimum but not for a maximum interest rate. This would allow banks to compete with each other for deposits in savings accounts in Egyptian pounds. It would also encourage individuals who have dollars to exchange those dollars for Egyptian pounds. Foreign currency would thus become available, and the rate of exchange for the Egyptian pound would improve.

Banks are to be allowed to open many branches in the various cities and governorates of the country so they can attract more savings and develop in individuals the habit of doing business with banks.

Bank workers are to be reassured that none of them will be investigated unless an investigation has been approved by the Central Bank. This is essential so that workers can make decisions at the proper time without having any fear.

Domestic Trade

It is our judgment that the liberation of this sector must be total. This requires the following:

The Ministry of Supply and Domestic Trade is to be abolished. No country has such a ministry unless it is in a state of war. Once the Ministry of Supply is abolished, the Ministry of the Economy would be responsible for both domestic and foreign trade.

The change from a system in which certain goods are subsidized to one in which eligible individuals receive monetary subsidies is to be completed. All goods would be sold in the market in accordance with the rules of supply and demand, and monopolies would be prohibited so that no one would control prices.

Domestic trade firms are to be sold to the private sector which can carry out these activities more efficiently.

Emergency laws which apply to domestic trade are to be repealed, and stiffer penalties are to be imposed on violators.

Foreign Trade

The deficit in Egypt's balance of trade is considerable, and it is growing. Although our exports last year did not exceed 4 billion dollars, our imports amounted to approximately \$11 billion. In one year the deficit in our balance of trade amounted to approximately 7 billion dollars or approximately 20 billion pounds. That is why reducing that deficit gradually must be one of the goals of the 1,000-day plan, and that can be accomplished by taking the following measures:

Without interfering with the freedom of foreign trade, proper guidelines for imports are to be established. Local products are to be exposed to competition with foreign products so we can be assured that standards of quality for local products will be improving and costs will be reduced to the lowest possible level. In this sense setting the proper guidelines can be accomplished by imposing customs fees which would vary depending upon the nature of each item, on the one hand, and on the supply, the quality, and the price, on the other hand, of the locally produced product.

Export procedures are to be simplified to encourage exports because exporters still have to go through many procedures. Rules for exporters are to be published without delay. Solutions are to be found for the problem of vacant space on cargo airplanes and that of high shipping costs. The Export Development Bank is to be changed to make it offer services and favorable terms to exporters instead of offering them just the services of a commercial bank. A strong shot in the arm is to be given to the Supreme Export Council which was established in May of last year and has not done anything concrete to encourage exports. Violations of foreign currency decrees by exporters are to be decriminalized, but fines are to be imposed on violators.

The Center for the Development of Egyptian Exports is to be developed, and that development is to include making changes in the method used to make up the center's board of directors so that the private sector can have greater representation on that board. Furthermore, a special law is to be enacted to liberate this center from restrictions and decrees and to give it more freedom to act and to make decisions.

The Country's General Budget

It is known that the deficit in the country's general budget, both the total deficit and the net deficit, is severe. But what is even more serious than that is the real deficit which shows up in the final accounts. It suffices to say in this regard that the total deficit for the last year for which final accounts have been issued, fiscal year 1987-1988, amounted to 14.4 billion pounds. As mentioned in

the country's general budget which was submitted by the government early in that fiscal year, the estimated deficit amounted to approximately 4.9 billion pounds. It is known that the main reason for the problem of indebtedness is the total deficit, and it is also known that the net deficit is the main reason for the problem of inflation, that is, the problem of high prices. To avoid these problems in the next stage, the country's general budget has to be liberated, that is, the country has to get rid of the deficit gradually. This can be accomplished by the following measures:

Strict and serious guidelines for the country's public expenditures are to be established. These should cover in particular the use of government vehicles, travel abroad, insincere commemorative announcements which are placed in the media to curry favor with officials, office supplies, consumption of electricity and water, and so on and so forth.

Subsidy appropriations are to be reduced gradually by changing the system of subsidizing certain goods into one in which cash subsidies are offered only to the needy who would benefit from them.

At least 1 billion pounds are lost annually due to tax evasion. That phenomenon is to be eliminated.

Investments made by the government, by local authorities, and by the public sector are to be curtailed.

Steady and serious steps are to be taken, one step at a time, to implement the country's general budget so that actual deficit figures in the final accounts do not rise and grow beyond the planned deficit figures as mentioned in the country's general budget.

Education

The importance of education, which is the cornerstone of any reform in society does not have to be emphasized. In this regard liberating education requires that the following measures be taken:

Because the constitution stipulates that education is free and because the resources which are available to improve education are meager, the only solution is to reduce the burden borne by the government's educational institutions by encouraging the private sector to invest in the various stages of education. To that end land can be offered for sale or lease to individuals who would buy it or lease it at moderate prices. Measures can be made easier and less complicated, and a variety of favorable terms and incentives can be offered without violating the right of the Ministry of Education to supervise the academic activities of the schools and institutes which are established by the private sector.

Students in the various stages of education are to be relieved and rid of the material which is being taught to them now in courses and programs which are still protracted and padded. The large size of the required textbooks is the most telling evidence of that fact.

Negative phenomena in education, such as private lessons, collective cheating, and reliance on outside books are to be confronted boldly, seriously, and decisively.

Despite the efforts which have been made since the inception of the revolution to confront the problem of illiteracy, the rate of illiteracy remains high, at approximately 49 percent. That is why the 1,000-day plan must include a specific program for the gradual eradication of illiteracy. We believe that under present conditions illiteracy can be reduced by almost 50 percent every year. We believe that by the end of the 1,000-day plan, the rate of illiteracy will be reduced to approximately 35 percent only and that it will be eliminated altogether by the end of the 20th century.

The Public Sector

It is known that the growth of Egypt's public sector during the sixties was abnormal and haphazard. Ever since then, marginal and simple activities which should not have been part of the public sector to begin with became part of the public sector. Furthermore, the public sector is plagued by many problems, some of which were pointed out in our discussion about the industrial public sector. It is our judgment that with regard to the public sector, the 1,000-day plan can or rather should include the following measures:

Small, marginal projects are to be taken out of the public sector and sold to the private sector.

The public sector's share in joint projects is to be sold to the private sector.

Projects owned by local authorities are to be sold to the private sector.

The private sector is to be invited to contribute to the effort to increase the capital of large public sector companies which are to remain publicly owned.

The new public sector act is to be issued without delay. It is to cover the establishment of holding companies and put an end to ministers' domination of public sector companies and their interference with the management of these companies. The new public sector act is also to change the method used to organize general assemblies and boards of directors.

The Government System

The government system in Egypt needs to be revamped so that it would not impede the development process. This requires that the following measures be taken:

The number of government workers is to be reduced. That number had risen sharply to become incompatible with the number of people or the volume of economic activity in the country. We are not asking for the termination of a single worker, but [we are saying that] the number of government workers can be reduced by not hiring any new workers unless hiring new workers is absolutely necessary.

A system of training workers for other jobs is to be adopted so that some government workers can be transferred to production sites.

The new employment act, which is to set forth a new concept and a new outlook on employment, is to be issued without delay. The new law will define the notion of reward and punishment and will tie wages to production and prices. It will also set forth a system by means of which people in top management positions would be contracted to serve in those positions for fixed periods of time.

Work rules and regulations in all government agencies are to be changed. The new version is to be brief, unequivocal, and simple.

Every agency is to prepare a pamphlet outlining the steps which are to be followed when dealing with the public. The pamphlet is to include a list of required documents.

Training systems are to be developed so that the efficiency of workers can be improved.

Government offices where citizens do business with the government are to undergo changes. Although changes have been completed at some of these sites, they remain unfinished at others. These changes are to be completed during the 1,000-day period. This is possible within the resources that are available.

Oversight Organizations

There is no doubt that oversight activities are important whether they pertain to domestic or foreign matters and whether they are carried out before or after the fact. Oversight activities, in all their different forms and varieties, are vital and necessary to avoid corruption and put an end to it. What has been noticed, however, is that oversight activities in Egypt in their present form have become a factor in slowing down unimpeded progress to development. This is because many people are engaged in these oversight activities. Consequently, the same task is repeated in more than one organization. Furthermore, in many cases oversight activities are carried out in such a way that people in the units of production are somewhat apprehensive and afraid to make decisions.

Some of these organizations which are engaged in oversight activities have become domineering, and they wield considerable influence. In addition, workers in some of them lack adequate knowledge and experience, especially in technical matters. Such inadequate knowledge in the banking business, for example, has led to the preparation of inaccurate reports. As a result, some top managers were taken to court, and after a number of years they were found innocent. Such a situation spreads a negative attitude among workers and particularly among top managers.

Based on the foregoing taking a second look at these organizations which are engaged in oversight activities is justified. Their number, the way in which they do

business, and their areas of expertise are to be reconsidered. Employees of these organizations are to be chosen carefully, and their level of performance is to be upgraded by means of training.

Indebtedness

Indebtedness is undoubtedly an important and a serious problem because it interferes with the development we are pursuing. Indebtedness is a burden on the country's general budget and on the balance of payments. This means that debt payments plus interest have to be made on time in hard currency. To alleviate the gravity of this problem in the context of the 1,000-day plan, the following steps must be followed:

The agreement with the IMF is to be signed without delay so that the Paris Club can be approached about rescheduling the debts. It is to be noted that this would be the second time we would be rescheduling our debts. The first time we rescheduled our debts was in 1987. We hope we won't have to do that again so that we can reduce the burden which will be borne by future generations. But unless the policies and measures which are referred to in this report are pursued and followed, we do not think we will be able to reduce the burden which will be borne by future generations.

Negotiations at the Paris Club meetings are to be conducted by highly experienced competent officials so that we can get the best terms with regard to part of the debt being forgiven and with regard to the grace period, the interest rate, or the amount of each payment.

No agreements for foreign loans are to be made in the future unless these loans are being made for a few essential infrastructure projects and a few production projects. These projects are to be obligated to pay back the loans they received plus interest, and they are to make these payments on schedule.

Population Growth

The president, who takes every opportunity to discuss the problem of the population explosion in detail, had this to say in his last address to the National Assembly and to the Advisory Council: "We must pause and ponder together the problem of the population explosion whose dire consequences are threatening us. Population growth rates are still very high. The total population is growing at a rate of 1.3 million persons a year. This means—and let me underscore what it means—that no matter how much progress in economic performance is achieved, we are bound to have a setback and to run into failure in a few years if the population continues to grow at this frightening rate."

Let us be frank about this. We have not yet succeeded in obviating the population problem. The annual rate of population growth remains 2.8 percent. It is on that basis that the following measures are called for:

The information campaign which is being undertaken by the media (the press, radio, and television) is to be

reconsidered. To make it more effective, that campaign is to be carried out under the supervision of specialists.

A clear-cut role which schools, institutes, and universities can play to inform people about the dangers of the population explosion is to be defined.

Educational delegations which travel in rural areas and use a simple approach to call for family planning are to be intensified.

The effort to promote family planning in mosques and churches is to be intensified so that any lingering ideas and beliefs which millions of citizens still have about family planning and how it contradicts the principles of religion can be removed. The time has come to rebut such false and misleading claims.

A system of positive and negative incentives is to be followed, provided it is not applied retroactively.

Average Egyptians and the Lack of Discipline

Unfortunately, a severe lack of discipline remains characteristic of average Egyptians. This lack of discipline manifests itself in the following:

- Chaotic traffic patterns create severe confusion in the flow of traffic.
- Pedestrians have to walk in the middle of the street because the sidewalks are occupied. That creates further confusion in the flow of traffic and causes too many accidents.
- Merchants who peddle their wares as they roam the streets or those who use pushcarts to peddle their wares are scattered everywhere. Specific sites are not designated for these merchants.
- Garbage is burned in some populated areas. This pollutes the air and creates a fire hazard.
- Smoke is released from factory chimneys, particularly from the cement factory in Hulwan.
- Automobile exhaust fumes fill the streets.
- High volume sounds are heard from cassette players, microphones, and automobile horns.
- Most people can no longer get a beautiful view of the Nile because coffee shops and watering holes surrounded by high walls have been built near the banks of the river.
- Parking for cars is not available.

Not only do these matters cast an uncivilized light on the great people of Egypt, who are the proprietors of an ancient civilization, but they also have a direct effect on the national economy. It suffices to mention in this regard the serious effect such matters have on tourism, on investment, and on the productivity of workers.

It is on this basis that the restoration of discipline among average Egyptians is required. This can be done by the strict enforcement of existing laws, the introduction of necessary legislation to stiffen penalties, the use of a systematic approach to raise people's consciousness, and so on and so forth.

Elements of Success for the 1,000-Day Plan

The success of the 1,000-day plan which the president called for depends on the availability of a set of ingredients and elements. These may be briefly listed as follows:

Citizens are to be made aware of the fact that this plan is important and necessary. This may be done by having the president address the nation to explain the main points of the 1,000-day plan and to show how important and how necessary it is for all citizens. The president would tell citizens that all of them must take part in implementing the plan.

The various media (the press, radio, and television) are to mobilize all the forces of society, and they are to devote all their efforts to the successful implementation of the program.

The best people among those with the most knowledge and the longest experience are to be chosen to assume the responsibility of implementing this large national plan. These people must be favorably disposed to reform, and they must have a sense of daring, an ability to take risks, and a willingness to be held accountable for what they accomplish and for the goals that are achieved.

The 1,000-day plan is most certainly a fundamental change in our economic approach. It is known that no change can succeed unless those who believe in it and in its [underlying] philosophy assume responsibility for it. They must be able to adjust to its requirements, and they must be capable of achieving its objectives.

The 1,000-day period adds up to almost three years. Naturally, we cannot wait for three years to post results and find out what has and has not been achieved. That is why the 1,000-day plan has to be divided into periods of three months each, and the goals which are being sought in each period are to be defined. As soon as one three-month period ends, a follow-up report is to be prepared. Any official who proves to be incapable or unwilling to bring about the change which is being sought is to be replaced immediately.

All radical changes and reform movements throughout history have had their enemies whose positions against these movements served their own interests. They interfered with these movements and their progress to preserve their own private gain and their own interests. In Egypt the enemies of change and reform are the beneficiaries of the restrictions which have been placed on the Egyptian economy. They are the ones who benefited from these restrictions and took advantage of them. That is why they are relentless in resisting change and reform. They use legal and illegal methods to bypass this reform and to slow it down. They spread false rumors, stir up citizens, and create loopholes. That is why the officials who will be making preparations for this national plan and those who will implement it must be carefully chosen so we can thwart the enemies of the 1,000-day plan and cause them to fail. We have to expose their schemes, one by one, as they become known to us because the experience they have had in interfering with

change and impeding it has been considerable. We have to replace any official who becomes a stumbling block in the effort which is being made to implement the 1,000-day plan.

The fact that emphasis has been placed on the economic aspects only of the 1,000-day plan does not mean that its political or social aspects are being ignored. It is a well-known and confirmed fact that the objectives of economic reform cannot be achieved unless a proper political climate and a favorable social climate are available for such reform.

As far as the political climate is concerned, no one can deny that considerable progress toward freedom and democracy has been made. We hope that the 1,000-day plan will take care of what still needs to be done in that regard. It suffices to mention one point which applies to us here in the Advisory Council. We hope that all bills which supplement the constitution will be sent to the Advisory Council, and we hope that the president will send all important bills to the Advisory Council. We hope in particular that the president will send the country's proposed general budget to the Advisory Council whose members are the country's best scientists and experts.

As far as the social environment is concerned, however, sociologists have to work very hard to fight against the social maladies which are becoming widespread throughout society. Society is being afflicted with delinquency, corruption, extremism, lack of discipline, irresponsibility, indifference, bribery, nepotism, opportunism, abuse of influence, hypocrisy, negativism, and so on and so forth. Some of these afflictions can be treated, not by preaching to people, but rather by using a methodical approach that would make people aware of what is going on. Confronting other afflictions, however, requires that laws be enacted or amended. In addition, leaders who can become role models for people must be chosen wisely for every site.

Protecting people who are living on fixed incomes during the 1,000-day period is undoubtedly an extremely important matter. Essentially, measures will have to be taken to guarantee that the burden these people carry is not greater than what they can bear and that high income earners carry any burdens which have to be borne as a result of new policies and measures. People who live on fixed incomes may be protected by salary increases, by opening up the health insurance system, by putting an unemployment insurance system in place, and by using other such methods.

The stability of domestic security is a basic requirement for ensuring the success of the 1,000-day plan. This is because any shake-up in domestic security, God forbid, will have the direst consequences on all development efforts.

The 1,000-day plan represents hope, and it represents the future. It represents our hope for a radiant and a better future. The president called for this national plan,

and all of us will join in implementing it: factory workers, farmers in the field, civil servants in offices, investors in projects, physicians in hospitals, soldiers in trenches, professors at universities, and students in institutes. All these people and others will stand together as one against the restrictions which hampered us and prevented us from moving forward. They will be resolute in standing up to deserters and indolent individuals, and they will prove to the whole world that the great people of Egypt, the founders of civilizations, can do the impossible and can overcome difficulties. "Say: Do as you will. Allah will behold your works and so will His apostle and the faithful" [Koran, 9:105]. God the Great speaks the truth.

Writer Criticizes Media Coverage of Gulf Crisis

91-102204 Cairo *AL-AHRAM AL-DUWALI* in Arabic
11 Feb 91 p 9

[Article by Dr. Yusuf Idris: "Saddam Is Not Sole Criminal"]

[Text] I was listening without much attention to the BBC's Arabic Section review of the editorials of the British weeklies issued this week, such as THE NEW STATESMAN, THE SPECTATOR, THE ECONOMIST, and others, not realizing that like all other citizens, I had become as tense as can be for fear that the war would break out. When the war did break out, I felt, to put it the way Ihsan 'Abd-al-Qaddus has described his feelings, that nothing was important any longer. Now that the volcano of destruction has erupted and missiles, Patriots, Scuds, Tornadoes, B-52's, and Migs have spoken, there is no place for opinions, pens, or the voice of the broad masses.

The fact that the two sides have resorted to war to solve a problem means that the voice of man and reason has been silenced in order that the voice of the machine of destruction and of advanced technology—excuse me, advanced in the ways of killing human beings and life—could rise. I have truly become so angry that my condition impedes not only the development of creative opinions but also impedes the basic development of a mature opinion that deserves to be expressed. I have felt like the other citizens who live in Iraq, Kuwait, and everywhere where missiles and rockets are falling. Even though we are alive, we certainly have been and will be the victims of this brutal war which confirms that we—even those civilized, advanced, and rich countries—are still at the bottom wrung of human existence. What difference is there 'between fighting with an ax or a stick and fighting with rockets and missiles? The difference in numbers is unimportant. What is important is the intention, namely the intention to kill human beings, regardless of the issue for which one is fighting and whether it is Kuwait's oil or the prestige of the United States and the new world order. The criminal intention to kill, especially to kill innocent people—even if they are soldiers in Saddam's army or in the alliance forces, not to mention unarmed civilians, be they pregnant

women, children, or old men—is the same whether it is used to usurp a country, to restore a country, or to regain esteem. This intention is the greater evil under whose shadow we, regrettably, continue to live, regardless of how progressive we claim to be or how many national or Islamic pretexts we employ.

Neither Arabism nor Islam instruct us to annihilate people in order to dictate our concept. If our enemies are killing us, then we are required to exercise absolutely nothing more than the legitimate right to self-defense. We are not at all convinced by what President Saddam Husayn said about the intention behind his occupation, murder, and displacement of the Kuwaiti people. Then when the allied forces arrive, Saddam says: I will fight them with the logic of legitimate self-defense. Neither Saddam the man nor his people and army were in a state of legitimate self-defense when they openly and publicly violated the Kuwaiti people. Rather, they are the ones who initiated the aggression and the killing whereas the Kuwaiti people are, by necessity, the side engaged in legitimate self-defense. Neither Saddam Husayn nor his army were in a state of legitimate or illegitimate self-defense when he attacked Iran and killed thousands of people with explosives and with poisonous and incinerating gases. If we supported Iraq in that war, it was because we feared that Iraq, and along with the eastern gate and the Arab body all the way to the Red Sea, would collapse.

I believe that the tragedy that is unfolding now—and we are at its center—makes us completely renounce the allegations of any Arab leader who claims that he is the only one who will defeat the (infidel) and that it thus makes us abandon completely the idea of commissioning any leader or any minor officer who usurps power to (oust) and defeat imperialism on our behalf.

Imperialism is not ousted by a rash adventurer or by a man afflicted with megalomania, (and regrettably, they are all afflicted with it). But I will again say that we the people, in solidarity with their popular leaders, their parties, their intellectuals, and their thinkers and with the progress which we will inevitably achieve, [are the ones who will oust imperialism] if we get in the Arab world governments which are at least intelligent enough, not to say patriotic enough, to realize that their real interest is in having the people grow stronger politically, culturally, and in terms of civilization. This is because the battle is not a battle of a ruler or an adventurer who claims, as they have claimed in our country, that he will take care of everything and that like Omo, a laundry detergent, he will do all that needs to be done.

Regrettably, the position that our press and our media have taken since the eruption of the 2 August crisis is not a position that indicates that we have achieved any maturity in the 50 years since the inception of the revolution. I have felt anew that we are in the era of the Liberation Authority and that there is a major at the radio station, as was the case in 1953, and a brigadier general at the television station to give orders for blind

obedience and loyalty. It is as if this is a feat of which our government should be proud! In fact, this is a sign of the extreme weakness of all the governments that have come into existence since 1952. The position taken by our media cannot be interpreted as a position that shows that our people and our thinking froze at the 1950's. The only acceptable interpretation is that our press or our media are the parties that froze at the concept of the 1950's or 1960's and that we entered the Gulf crisis phase in this condition, thus making our performance to date disgraceful.

To clarify my opinion, here is what I heard in a review of the editorials of British weeklies this week. As I have said, what drew my attention was the voice of the announcer saying: The main topic of the British weeklies' editorials has been the "justice of the Gulf war."

I thought that they, like our broadcasting station and our weeklies, will focus their attack on accusing Saddam Husayn of criminality, tyranny, destructiveness, and so many other similar characteristics. These characteristics have been used so frequently that they have lost their effect on the audience, especially since they are reiterated senselessly. It is so much easier for an editor or a commentator to say that Saddam is a mad man, a wretch, or a criminal than it is to exert himself enough to ponder the meaning of political criminality or of collective criminality against a people. May God spare commentators the evil of having to battle and make an intellectual effort!

I expected the British press to deal with this aspect of the (justice of the war). But the press of this country, which is an actual participant in the war and whose pilots and fighters are up to their ears in the Gulf war and Gulf crisis, spoke of the justice of the allies' war against Saddam and was unanimous that since President Bush resorted to violence and war to solve a problem, he is the absolute equal of Saddam who resorted to invasion and violence to resolve his problem with Kuwait. It was also unanimous that the use of extremely sophisticated technology in aeronautics and targeting and in equipment of destruction, when employed by the world's five major powers against a country with a population of no more than 18 millions, becomes an "immoral act" entitling Saddam to use gas bombs against the allies without the allies having the right to respond in kind or with nuclear bombs. What this means is that this amazing technological progress puts Iraq in the position of self-defense. This press has taken a principled position in opposition to the use of any nuclear weapons by Israel or by the allies against Iraq, saying that if such weapons were used against the Iraqi people it would be tantamount to the fall of the new world order as envisioned by President Bush—a fall that would ethically and morally destroy that system forever.

Completely amazed, I listened to these comments and asked with disbelief: Is this some sort of customary British hypocrisy according to which they kill the victim and march in his funeral procession?

Or is it something else?

Initially, I was saddened that a similar debate has not taken the forefront in our media—the media that declared the war before it started and has never been prepared to open its heart to any rational or intelligent opinion or at least realize that such an opinion is [not] "a stab in the back of our valiant Egyptian forces that are standing like lions in the Hafr al-Batin desert." What a horror!

But how could our media take such a position when the seed of the terrible cancer which was planted by the Egyptian revolution in the media has so unnerved them that they can no longer withstand the weight of a straw, not to mention of an opinion, especially if it is an opinion that does not totally agree with the government's instructions!

Regrettably, it is to this degree that the existing media can no longer voice democratic opinion. In fact, the media noose has tightened around the Egyptian people to such a degree that it looks as if the media are trying to make a little student's suit fit a very big man. Instead of tearing the suit up and violently rejecting it, I hope that we, the grownups, will realize that times have changed and that what was fit for a past age will not be fit for a coming age or for the present age in particular.

The second idea that occurred to me while listening to the London press comments is a simple but important idea. The comments are not due to hypocrisy on the part of the British writers and journalists but due to the fact that the European and other governments which completely developed their various elements in the 19th and 20th centuries realized that if they established iron systems, the peoples would always break them. They realized that their system must be able to accommodate peoples numbering in the tens of millions and that they could not imprison these millions in a single idea or a single opinion which is, most often, the government's opinion. Those governments realized that in order that the peoples may not break away from them and destroy them, they had to always absorb all opinions and that such absorption is tantamount to a great enrichment of any system. They realized that lack of opinion is tantamount to abasing poverty that turns any regime into a (scarecrow) that is uprooted by any gust of wind. Systems are bolstered when the citizen sees that under their shadow, he has the power to think with others and has the power to form his own opinion and that even if this opinion disagrees with the government opinion, it will enrich the latter. Only weak political systems fear citizens' opinions. This fear makes them retreat further into their shell and finally disappear. The flaw in all of Lenin's communism which has now collapsed is that it confiscated the people's liberties with the allegation that it alone is capable of thinking and (developing an opinion). I say that communism has collapsed not because of economic reasons, as some people like to write and say. The Soviet Union's economic conditions are certainly better than the conditions it experienced under Tzarist

Russia. The Soviet Union has collapsed because most of its citizens do not get a minimum income. (With a full stomach), one begins to express his opinion. When the people there began to express their opinion, the system was exposed and came to an end, even inside the party.

This is why the British commentaries debating the justice of the allies' position with courage and in a principled manner drew my attention. I do not think that the British system will collapse because its broadcasting stations—even the guided ones—say this or because British readers read this. Inversely, the British system led by Major will grow stronger than it was under the administration of the tyrannical Thatcher.

Saddam Husayn's crime is so obvious that it does not need our media to preach against it. But our media should realize that the city of al-Basrah which is being pounded day and night with millions of tons of dynamite and gunpowder is the Arab city that produced the greatest Arab philologists throughout Arab history, including Egyptian history. To pick up an Arab Egyptian newspaper and find a 10-cm wide red bannerline uttering shrilly that al-Basrah has been destroyed without expressing a word of grief or sorrow or any awareness of the immensity of the catastrophe is truly disgraceful, regrettable, and deplorable.

Be it that Saddam Husayn is the reason. But what will the pygmy Saddam amount to next to a history like the history of al-Basrah, of Baghdad, or of a brave and guiltless Kuwaiti people?

Let the one who has ignited the inferno burn in the inferno he has ignited. But let us retain some of our values and principles so that we do not go burn with him in an inferno where all values, Arabism, and even the sense of shame, are renounced.

IRAQ

Opposition Leader on Party's Goals

91AE0274B London AL-SHARQ AL-AWSAT in Arabic
9 Feb 91 p 6

[Interview with Sadiq al-Atiyah of the New Ummah Party, by 'Abd-al-Qadir Mamduh al-Birifkani in London; date not given: "Pressure of Events Makes It Necessary To Form an Elected National Government. Free Liberal System Is Best Political and Economic Formula"]

[Text] A quick view of the tragedy that has befallen the Iraqi people under Saddam's rule leads one to feel within oneself a spirit of arousal and revolt against this dictatorial situation and the social division that the homeland is experiencing. How does an Iraqi citizen rise to the level of his historic responsibilities and give of himself to correct the existing conditions in Iraq?

So says Mr. Sadiq al-Atiyah, a political and economic personality prominent in the ranks of the Iraqi opposition. Al-Atiyah descends from a well-known family that

leads one of the most important Arab tribes of the middle Euphrates. His father and his uncles participated in the 1920 revolution, which is famous in Iraq. Al-'Atiyah says that in the face of the pressure of events, "We worked for years, spreading an urgent call to build a liberal parliamentary party that seeks inspiration from political experience, the course of events, and the lessons of history—a party that unites all parts of the Iraqi people without distinction. These intensive contacts between Iraqi parties led in 1982 to the founding of the New Ummah Party."

He added: "Our task in the initial stage is to provide a suitable atmosphere for holding democratic elections based on sound parliamentary principles to choose representatives and form a national government that will be directly responsible before the elected parliament. Every Iraqi citizen by birth or naturalization should be able to run as a candidate and exercise the right to vote in compliance with the laws."

In his interview with AL-SHARQ AL-AWSAT, Mr. Sadiq al-'Atiyah added: "The political thinking in which the New Ummah Party believes is based on abolishing the principle of a single party that monopolizes power and rules by itself. This derives from our belief that the electoral process requires the existence of national parties that work to transmit public opinion to the government. Differences in opinion or political orientation do not conflict at all with the foundations on which any popularly elected constitutional government stands. Belief in democracy necessarily means accepting the coexistence of political parties, professional associations, and independent individuals in a single parliament that represents people and their interests in matters that concern public life."

Here is the text of the interview.

Equal Opportunities

[Al-Birifkani] What were the reasons and motives that led you to found the New Ummah Party?

[Al-'Atiyah] The New Ummah Party was founded in 1982 in the face of the pressure of momentous events. Among its fundamental goals is the establishment of an elected constitutional government that respects general rights, maintains the basic rights of citizens, and provides them with equal opportunities to express their free will in accordance with free elections.

[Al-Birifkani] How does the New Ummah Party differ from the various political movements and parties active in the field of the Iraqi opposition?

[Al-'Atiyah] The New Ummah Party is a new party in its program and ideas for the future. It derives its political theory from the changing Iraqi reality and from the course of the events that have formed modern Iraqi history. It is a party that has laid sound foundations for a republican system based on free elections, a permanent constitution, and popular will.

We do not cancel the past; rather, we derive a moral and a lesson from it, so as to move toward something better. That is our contribution in the party. Theory and practice both require that one study the political indicators, analyze their content, and come out with a new formula that harmonizes with the changing reality and the nature of the Iraqi people themselves.

Against this background, the party's program affirms the following principles:

1. The Iraqi people in all its groups is sovereign in the state. It is the source of powers and has the right to exercise this sovereignty directly and with complete freedom.
2. A system of government cannot command people's loyalty and obedience unless it emanates from the free wills—plural, not singular—of the people in all their groups, and unless it harmonizes in its behavior and procedures with the highest ethical values and ideals.
3. No one has the right to arrogate to himself guardianship over the people and prevent the people from exercising their sovereignty on the pretext that the majority of the people are ignorant and incapable of comprehending the state's highest goals or the highest ethical values and ideals.
4. The only limits to the state's sovereignty are the highest ethical values and ideals and citizens' natural rights. Any impairment of these constitutes an impairment of man's humanity.
5. The happiness of the individual and his ability to develop his potentials in order to be as good as possible are the primary goals of the state. Therefore, one cannot accept any principle that considers citizens to be mere tools subservient to the service of the state in its striving to achieve remote, unclear higher goals unrelated to the main goal mentioned above.

Method of Governance

[Al-Birifkani] What is the ideal fundamental system that the party considers best and hopes to establish in Iraq?

[Al-'Atiyah] The ideal fundamental system that we hope to realize in Iraq is the republican system, with the president directly elected by the people. The method of governance that we advocate is the free parliamentary system, in which the chamber of deputies is elected by the people in free direct elections, and in which the elected chamber of deputies selects and appoints the prime minister, granting confidence to the prime minister and other ministers, and withdrawing it from them.

Countries ruled and directed by a parliament elected by the people in free, honest elections without compulsion, governmental directive, or fear; where public opinion is represented by a free, honest press that is neither venal nor restricted; where there are many political parties that emanate from the welfare of the country and express the

people's differing thoughts, ideas, convictions, and interests—countries that experience such a reality are surely countries moving toward civilization, progress, prosperity, and happiness.

[Al-Birifkani] What is the party's concept of democratic freedoms, a multi-party system, and freedom of the press?

[Al-'Atiyah] We believe in a plurality of political parties that coexist constructively despite differences of principles, ideas, and points of view. This is the true meaning of democracy. We believe that this is something that the constitution must clearly and explicitly mandate and that must be implemented and respected by all parties. Indeed, it must be one of the fixed principles in the country's political life. In it lies the true salvation of the community and the people from the loss, fragmentation, domination, and one-man dictatorship from which the people have been suffering until the present day.

We consider freedom of the press to be complementary to individual freedom. We therefore believe that the press should be free and independent of the state. Newspapers should be many and varied. They should not be subject to any government censorship. We believe that the law must fully and completely protect newspapers and journalists.

[Al-Birifkani] What kind of foreign policy does the party believe in generally and hope to implement in the future?

[Al-'Atiyah] The overall line of the party's foreign policy is to maintain a policy of positive neutrality and non-alignment and to establish good relations, especially with all fellow Arab and Islamic countries and Iraq's neighbors. We respect and abide by the charters and resolutions issued by international organizations, such as the Arab League Charter and the Charter of the United Nations.

Adherents of the Current Regime

[Al-Birifkani] What will the party's position be toward adherents of "current regime"?

[Al-'Atiyah] Hundreds of thousands of people involuntarily became involved with the regime in various ways and for various reasons—such as fear, compulsion, or ambition. They will not be held accountable for what they did. However, criminals and those who committed offenses against people will be held accountable by law and fair trial, without any spirit of retribution and revenge and without government interference in this. We stress that no person will be called to account for his convictions, thoughts, and ideas, if he did not commit an offense or crime.

Economic System

[Al-Birifkani] What is the kind of economic system that the party believes in and that it will seek to apply in Iraq?

[Al-'Atiyah] We believe that the best economic system suitable to the reality of our country and in step with the

desires of our entire people is the free economic system. However, all resources, minerals, natural wealth, whatever is underground, water, as well as important strategic utilities related to the public welfare and destiny of the country should be the property of the state and the people in a manner to be clarified by law.

We also believe that our Iraqi people have become capable of correct discrimination, judgment, and conscious choice in this matter, after having suffered through many failed experiments in the economic field in past years and tasted the bitterness of crises and endless destructive bottlenecks.

We think that the government should intervene in the course of economic life only when necessary or when necessity mandates protecting the national economy that could be endangered in certain exceptional circumstances.

[Al-Birifkani] How does the New Ummah Party view the problem of agriculture and agricultural production in Iraq? What are your ideas for the future on this subject?

[Al-'Atiyah] The decline that the state of agriculture has reached in Iraq is a clear indication of the neglect and mismanagement that have affected the agricultural sector and agricultural production and of the improvised and impulsive way in which this vital sector of the Iraqi economy are being managed. This has caused great damage to the agricultural situation in Iraq. Whatever the causes and results, the present situation requires a full and complete review of all laws that regulate agricultural relations in Iraq. A large group of citizens have suffered wrongs which must be reviewed—particularly the law abolishing compensation for agricultural proprietors.

There must be a fundamental study of the agricultural situation in a way that pulls agriculture out of this decline and gives agricultural production a new impetus. Agriculture will thus regain its natural and historical role, as it was in the past, or even better, proving that Mesopotamia remains a land of abundant water, fertile soil, and overall bounty.

Islamic Leader Interviewed on Nation's Future

91AE02744 London AL-SHARQ AL-AWSAT in Arabic
11 Feb 91 p 6

[Interview with Husayn al-Sadr by Ibrahim Nawar in London; date not given: "Husayn al-Sadr Talks to AL-SHARQ AL-AWSAT About the Iraq of the Future"]

[Text] Sayyid Husayn al-Sadr is the cousin of the late Muhammad Baqir al-Sadr, the founder of the modern Islamic movement in Iraq. His uncle was Sayyid Muhammad al-Sadr, the Iraqi political leader who was one of the most prominent leaders of the 1920 nationalist revolution and whose influence reached all aspects of Iraqi political life from his position as head of the Senate in most of its sessions and as prime minister of Iraq in 1948. Carrying on the story of the al-Sadr family,

Sayyid Husayn's life provides an example of how the Iraqi people have resisted tyrannical dictatorship. In 1979, while he was on the way to perform the lesser pilgrimage, he was arrested.

[Al-Sadr] The Iraqi authorities wanted to arrest me without raising an outcry or an uproar, so they arrested me at Baghdad airport. When the group that was accompanying me on the pilgrimage began a sit-in to protest my being summoned by the airport security authorities, the latter lied to them and said that Sayyid Husayn had gone to the airplane! Naturally, when they boarded the plane, they didn't find me. Thus they became certain that I had been arrested. That day was the beginning of an odyssey of suffering. Although it did not last long in terms of time, its psychological effects are still present in my life.

I was subjected to a terrible campaign of psychological and physical torture. Then I was turned over to the Revolutionary Tribunal, where the public prosecutor asked for the death sentence on the charge that I had participated in the riots of 12 June 1979. By "riots" they meant the demonstrations that broke out in several provinces of Iraq after the arrest of Imam Sayyid Muhammad Baqir al-Sadr on 11 June 1979. The authorities were forced to release Sayyid Muhammad immediately for fear of being unable to withstand the popular protest. At the time of the outbreak of the demonstrations, I was actually under arrest, having been taken into custody on 11 June 1979. I argued that the charge was false on the basis of this fact. The court was at a loss and had to release me. However, I knew from then on that I was targeted and that I would not be able to carry out my role. So I decided to move the scene of the struggle outside Iraq, to continue working against the dictatorial regime in Iraq.

[Nawar] Although I know the heavy psychological burden felt by anyone who has been subjected to imprisonment and torture when he is asked to recall what happened to him, I asked Sayyid Husayn al-Sadr to recount some of his memories about the period of imprisonment and torture that he spent in one of Saddam's prisons. Sayyid al-Sadr mentioned that he spent two weeks of his life blindfolded, unable to tell night from day. He was tortured with electrical shocks day and night. Agonizing blows with thick electrical cables were a favorite sport of the jailers in their leisure time.

[Al-Sadr] We would be led blindfolded onto ground as hot as coals and made to pass through narrow doors like a blind flock, pressing against each other, while around us the jailers prodded our bodies with thick electrical cables. A man's dignity was insulted in every way.

But enough said about the past! Let's talk about the future—that is our responsibility. If one aspect of responsibility is embarking on opposition to the ruling regime, a religious scholar will always be happy about the sacrifices he makes in order to carry out his duty and responsibility.

[Nawar] I saw in this remark an invitation to move the conversation away from the griefs of the past or personal sacrifices. So I asked Sayyid al-Sadr for his evaluation of the dialogue between the sections of the Iraqi opposition and the effect of this dialogue on the future of Iraq.

[Al-Sadr] The opposition has a basic responsibility to be a clear mirror reflecting the hopes and sufferings of the Iraqi people. Certain accidents disturb the clarity of this mirror. I would make the following observations:

First, the focus in this dialogue has been on political parties and forces that are movements, even though the total number of these movement members represents only a small proportion of the entire Iraqi people. Most Iraqi citizens are independents. In their opposition and sacrifices opposing the regime they have done no less and no more than the people in political movements. I think that broad sections of independents feel cheated because their role has been ignored.

Second, many of the agreements that were reached in the dialogue among the Iraqi opposition were subject to pressures by our "brother and friend." (Sayyid al-Sadr stopped talking, looked at me with a smile, and reemphasized the words "brother and friend.") While we greatly appreciate the generous support that brothers and friends have given to the Iraqi cause, support is one thing and the interest of the Iraqi cause is another.

Third, there are exceptional academic, political, intellectual, and social personalities. These personalities are known to the Iraqi people. I think it would be better to bet on these personalities known in Iraqi popular circles than to bet on certain signs or catchwords about which the Iraqi people know nothing.

[Nawar] It was clear from following his remarks that Sayyid al-Sadr was accurately expressing the attitude of the silent or oppressed majority of the Iraqi people who do not belong to any of the political parties or movements, especially those that have flourished in exile and about which Iraqis in Iraq know little information.

I asked: There are Islamic parties in Iraq. There are also a large number of religious figures and scholars who remain outside these parties. Don't you think that Iraqi citizens will in the future become rather confused in the face of this state of affairs, particularly in the postwar period?

[Al-Sadr] No, a religious scholar's responsibility is best and most correctly carried out by someone who keeps the doors open as widely as possible to look after the welfare of all citizens, however different their interests. Membership in a political party narrows the window through which a religious scholar sees the true interests of the public. This was the view of the martyred Imam Sayyid Muhammad Baqir al-Sadr. He believed that the task of the Islamic scholar was the major one that starts from the great gateway of Islam. This task involves comprehending and directing all activities and key figures, not just religious ones, but also political, cultural, and social ones. A religious scholar's membership in a political

party does not help him perform his task, because he must be greater than all the existing parties. This tends to give him greater credibility in popular circles.

[Nawar] Does that mean that religious figures should not be engaged in politics?

[Al-Sadr] Not at all! We do not believe in separating religion from politics. An Islamic scholar is responsible not only for explaining and imparting the rules of the Shari'ah to everyone; he is also responsible for protecting the people, defending the homeland, participating truly in advancing the wheel of culture, and rescuing the masses from all sorts of dictatorship, domination, and circumvention of their rights and freedoms.

I do not think there is any necessary connection between participation in political decisionmaking and a scholar's being at the head of a party or organization. Ancient and modern history prove that there have been scholarly figures who have had a very great influence on our political life.

[Nawar] Since we have reached the question of political decisionmaking, how do you envisage the shape of the coming political system in Iraq?

[Al-Sadr] I call for a transitional government in which none of those who have committed crimes against the Iraqi people and the Arab and Islamic peoples participate. This transitional government should pledge to hold direct free elections within a period ranging from six months to a year to elect members of the Shura Council (Parliament). After it is elected, the task of this council will be to draw up a permanent constitution and a general system of constitutional institutions in Iraq.

We reject the one-party theory and insist on the need for a multi-party system. We stress the need to preserve general freedoms and human rights and the principle of equal opportunities for every Iraqi citizen—Arab, Kurd, or Turkoman, Shi'i or Sunni, Muslim or Christian.

[Nawar] What about the Ba'thists? Do you think they should be allowed to participate in such elections?

[Al-Sadr] We believe in the need for freedom. A free election means that a Ba'thist can run. However, we are confident that he will not win in a free election—not because of our position toward him, but because of his political bankruptcy. There is a political equation in every Iraqi's mind that says, "Saddam equals crime; Ba'th equals suppression of freedoms." We therefore do not believe that those whose history is based on the suppression of freedoms will win in free elections. But we make a distinction between those who were forced to belong to the Ba'th Party, but did not carry out any hostile, repressive actions against the Iraqi people, and Ba'thists who were Saddam's real tools in repressing and exterminating the free people of Iraq. It will be natural for the Iraqi people to insist on punishing all the plotters who were Saddam's henchmen. Those who committed repressive actions are well known. The best procedure in my view is to turn them over to the courts and bring

charges against them, so that they receive the legal punishment that the courts decide.

[Nawar] There is talk in some circles of a sectarian political formula for the future Iraq, based on definite proportions that take into account the sectarian balance in Iraq.

[Al-Sadr] The sectarian system is to be rejected in principle. We are against any attempt to conspire against the natural and legal rights of any Iraqi citizen.

[Nawar] But how do you guarantee that the coming period will not witness another form of majority dictatorship in a society marked by diversity and a complex religious, national, and cultural composition?

[Al-Sadr] The logic of monopolizing power is to be rejected. Depriving others of their rights to participate in responsibility is to be rejected. Iraq has a special character that must be respected. I personally will oppose any action that attempts to entrench the principle of national or sectarian discrimination.

[Nawar] Do you support giving the Kurds self-rule?

[Al-Sadr] In fact, we support giving them more than was given to them by the 11 March communique. The best formula is the Islamic one, because it is the only formula that does not start from a national premise. It is a formula that does not impose certain privileges for Arabs, while depriving Kurds and Turkomans of them. Decentralization in the northern provinces is desirable. The Kurdish provinces should be ruled by their inhabitants.

Why is Sulaymaniyah governed by an Arab governor? The best thing would be for it to be governed by a Kurdish governor. Logically, the Kurdish language should be taught alongside the Arabic language in the schools of the northern provinces. There must be regard for the Kurdish heritage and culture. The Kurds must participate in political decisionmaking. All forms of wrong and injustice must be lifted from the Kurds and Turkomans.

[Nawar] Ideas have been circulating about partitioning Iraq and detaching areas for the Kurds and Turkomans. To what extent do you consider these ideas logical? To what extent could they be turned into a practical project?

[Al-Sadr] I have read about Turkish ideas in this regard. In my view, they are the last people who have the right to talk about the Kurdish or Turkoman question, and for one reason: until very recently they used to punish any Kurd by law if he spoke his language. And from this tragic state of affairs the Turks jump to demanding a share for the Kurds in the map of the future! This claim may simply be one element in the psychological war against Saddam Husayn, to threaten him with the danger of partitioning Iraq, if he does not withdraw from Kuwait. We are fighting for the sovereignty of Iraq, the unity of its land, and its liberation from dictatorship.

[Nawar] How do you see the relations of a future Iraq with its neighbors?

[Al-Sadr] In order to answer your question, I have to clarify three points:

First, I wish to make clear that neither the party-affiliated or independent Iraqi opposition harbors hostile intentions against any of Iraq's neighbors.

Second, both Islamic logic and political reality motivate us to desire good relations and a good neighbor policy with the countries of the area surrounding Iraq.

Third, I personally stress the rejection of subordination or dependence upon any non-Iraqi political decision-making. On the contrary, I call for fully independent political decisionmaking.

[Nawar] Good. What about Iraq's relations with Kuwait in the future?

[Al-Sadr] The historical relations between the Iraqi and Kuwaiti people are excellent. These relations are framed in terms of religion, Arabness, proximity, and attachments through intermarriage and so forth. The decision to attack Kuwait was purely a decision by Saddam. Neither the Iraqi people nor the Iraqi army were partners in it. Therefore the position of condemning Saddam's attack on Kuwait is a firmly established and authentic position. Saddam's insistence on swallowing Kuwait, land and people, is the central reason for the disastrous war now enkindled in the region.

(After falling silent for a moment, Sayyid al-Sadr continued.) Since the first day of the attack we have supported the cause of the Kuwaiti people. More than 20 years ago we warned of the danger besetting all countries of the region. We said that Saddam was a danger not only to the Iraqi people, but also to the Arab region and the entire world. The entire world now realizes that what we said was true, but this realization has not yet been turned into real material and moral support.

(Before our conversation ended, Sayyid al-Sadr again stressed that the Iraqi people are the ones who are paying today, just as they paid the price for Saddam's dictatorship in the past.) Only a short while ago, the entire world was helping him, and the people were the ones who were paying the price. Today the entire world is standing together to get rid of him, but the Iraqi people are still paying a heavy price for this. This is a paradox that the present and future must take notice of, so that the phenomenon of innocent people paying the price for the folly of tyrants does not recur.

(Sayyid al-Sadr had previously issued a statement in which he stressed the following points:)

1. One must clearly distinguish between the mad tyrant and the coerced people. It is not right by any religious, humanitarian, or political standards for the oppressed Iraqi people to pay the price of Saddam's aggressive positions.

2. We call for a quick halt to the disastrous war, with the immediate withdrawal of Saddam's occupation forces from Kuwait.

3. Overthrowing Saddam's brutal dictatorial regime is the responsibility of all classes, sectors, and effective forces among the Iraqi people.

4. We call on the countries of the world in general and on the coalition members in particular to withdraw their official recognition of Saddam and his regime and to work with the Iraqi opposition as the sole representative of the Iraqi people.

5. We call for liberating the will of the Iraqi people and enabling them to choose their regime through direct, honest elections.

Providing general freedoms, respecting human rights, the principle of equal opportunities for all Iraqis, lifting wrong and injustice from them—these are among the most important foundations for the stability of Iraqi society—all of these things within the framework of the unity of Iraqi territory.

ISRAEL

Missiles, Curfew Impact Economy

91AE0276B Tel Aviv MA'ARIV (Business Supplement)
in Hebrew 12 Feb 91 pp 26-7

[Article by Hadas Manor, Uri Ginosar, Yokhai Refaeli]

[Text] The first salvo of missiles, it is almost superfluous to mention, was fired at Israel during the night between Thursday and Friday, on the eve of the 18th of January. But the meaningful date with regard to this matter is actually the 15th of January, the end date of the American ultimatum to Iraq. But still a day before that, on the 14th of the month, many of the Arabs of the territories had disappeared. Even workers who had been employed a long time, and were accustomed to staying overnight in Israel, went home. Even before the landing of the first Iraqi scud missile, they had all disappeared. Ever since the Arabs of the territories were placed under curfew, they have not been arriving at all at their workplaces in Israel. What has happened since—an entire month of absence with regard to the Arabs of the territories from the Israeli economy, during days of oppressive tension. In Israel missiles fall, and in the territories there have been those who have climbed onto their roofs to cheer Saddam. In general, it is possible to conclude that in some branches of the economy, solutions have been found, for the time being, for the absence of the Arabs from the territories. And even beyond that, some of the solutions have actually turned permanent. When many Arabs from the territories arrive after the curfew, they will find their jobs taken. Many employers prefer not to remain waiting in trepidation for the next curfew. They also give political reasons for filling the positions with Israelis and new immigrants. "Hebrew Labor" is the

slogan. Nobody sounds today as though he is especially sorry about the Arab workers who will be left without pay.

Fuel—One Hundred Percent Changeover

A good example—gas stations. Even before the outbreak of the crisis in the gulf, gas stations had begun a project for absorbing new immigrants in jobs. The project was arranged by the Energy Ministry and the Association of Gas Station Owners, and within its framework, immigrants have been given training in various places all over the country. The outbreak of the war, and the closing of the territories so workers cannot exit, led to the replacement of those missing with additional new immigrants, who make up 100 percent of the work force in some stations today. The station owners are interested in continuing this arrangement even after workers are allowed to leave the territories for work in Israel, and it seems, right now, that in this sector at least, the new immigrants have gained a foothold. Workers from the territories who return to jobs will find that in many cases the station is dry.

Restaurants—No Work

Restaurants—the first businesses affected by the missiles were restaurants and coffee houses. Residents were locked up in their homes with their families, and only a few individuals dared to venture far to find amusement in the evenings. Arab cleaning and kitchen workers who were employed in restaurants, including those who live within the green line, disappeared from the scene. They went home. But their absence was not felt. There simply was no work. At the beginning of February too, most of the restaurants worked at a very low production level, with Israeli workers also having, in most cases, nothing to do. In addition, restaurant owners said because of the situation, many Israelis have turned to them looking for secondary or main income as workers in restaurants, as well as in the area of cleaning. Rimon ben Yakir, the owner of a restaurant in Tel Aviv, said that when Arab workers return from the curfew, it is reasonable to assume that they will be employed. Even so, the fear of further curfews will cause many of his comrades to prefer permanent Israeli workers or new immigrants to them.

Cleaning—Recruitment of Russians

Another example—many cleaning companies have begun to employ new immigrants in the last few months, even before the 15th of January. In "Dan" Russian is spoken instead of Arabic on buses in parking lots, as well as in hospital corridors in the central region. In addition, many work places and cleaning companies petitioned to dismiss the Arabs from the territories who cleaned for them, so that they would not return after the curfew was lifted. Cleaning contractors, who worked during the war continued the trend of recruiting new immigrants. Certain cleaning companies replaced almost all their workers within two weeks.

Construction—There Is No Substitute

In the construction field and in agriculture, on the other hand, the Arabs who return to work will be very much needed. Construction, for all intents and purposes, has come to a complete halt. In this area, there are skilled specialists for whom it is hard to find or train immediate substitutes. There is no substitute for them. They are not orange pickers who can be organized as volunteers. And also, as we know, they have not been a very good substitute. The young orange pickers, for example, according to the estimate of the citrus growers, reached a sixth of the quota of a skilled Arab picker. Without any doubt, there is a serious shortage of molders and other specialists in the construction field. Jewish contractors pray that the curfew will be lifted, and there is no doubt that the temporary solutions which have been found in these areas do not threaten Arab employment.

Fruit Harvest—Symbolic Volunteering

And so it is with the fruit growers—this is the biggest problem for agriculture. The damage there is extensive. Representatives of the citrus branch reported to the Ministry of Agriculture damage estimated at 45 million dollars: 35 million for fruit that perished, as opposed to the situation which would have ensued if picking had gone on as usual from the outset of the war; and another 10 million dollars for the cost of delaying ships in port and for fixed expenses which had to be paid in spite of the pause in work. In this sector, 4,500 volunteers were recruited to replace the Arabs: 2000 Gadna (youth battalion) members since 4 February, 2,200 immigrants from the Soviet Union (who were paid 15 new shekels government incentive for their work); and about 300 soldiers daily since February 6. But the citrus branch relies on Arab pickers, 90 percent of whom live in the territories. In this area, the volunteers and the new immigrants are an almost useless symbol in the sea of losses and with regard to the shortage of skilled labor. Here is a story in parentheses—Chinese restaurants. In Chinese restaurants, most of the workers remain. They are not under curfew, and nobody intends to fire them, for they will need them after the war.

Flowers—National Rescue

Already in the first days of the war, the radio told of the distress of farmers in the Jordan valley. They sought volunteers, they begged for working hands. They told of shipments of flowers for export which were withering and going to waste in hothouses. A delegation of Knesset members from the Economic Committee arrived to give a personal example, working half a day, accompanied by photographs and interviews. The farmers of the Valley assume that the moment the curfew is lifted from the territories, Arab workers will return. But, because the work is seasonal, flower harvesting and vineyard pruning, it will already have ended so that the farmers will accept only those workers who are permanent. The seasonal workers, hundreds of whom are usually employed in January, will be needed again only around May - June, for the grape harvest. It will be worthwhile to

pay salaries to some of the Arabs, those needed most, as soon as they arrive, but all the rest will find themselves unemployed.

Harvest—Not Enough Hands

In the vegetable harvest as well, the lack of the Arabs from the territories is felt very strongly. The main problem has to do with vegetables picked by hand, like celery, Chinese cabbage, strawberries, export lettuce and eggplant. No substitute has been found for the Arabs of the territories, and the answer has expressed itself, again, in losses -export of Chinese cabbage, for example, was reduced from 1200 tons planned for the month of January, to 370 tons. There will be 155 tons of strawberries exported instead of the 400 planned.

Textile—Models Were Changed

In the textile factories in Israel, Arabs who live within the green line work. On the other hand, all the sewing rooms in the towns of Judaea, Samaria, and Gaza have been closed since the beginning of the war. Israeli manufacturers complain that the managers of the sewing rooms would like to begin work, but the curfew for most of the hours of the day does not allow it. It is estimated that with the gradual removal of the curfew, operations will resume by degrees. The small respites in the curfew during daylight hours have been used in the meantime by Israeli factory owners to travel to the territories to pick up finished goods held for a long time in the sewing rooms.

JORDAN

Israeli Military Experts Profile Muslim Radicals

TA15309564 Tel Aviv HA'ARETZ in Hebrew
15 Mar 91 p 2

[Article by Eitan Rabin]

[Text] Most terrorist activity against Israel from Jordanian territory has recently been carried out by Muslim radicals and the Jordanian army is making efforts to block this activity.

In a briefing for military correspondents the sources said: "The Jordanian army has had many successes in the sphere of blocking hostile acts against Israel, despite the fact that elements in Jordan are not preventing the Muslim radicals from basing themselves there and that there has been an increase in this kind of activity." In Israel, the assessment is that there will be further successes for Islamic elements in Jordan in light of the dire economic straits and the political isolation of the country.

It was further stated that the Muslim radicals have influence over lower rank and file army people, but there are no signs of a breakdown of authority or discipline in the army. There are signs of a return to normalcy in the Jordanian army, but the plans to increase military

strength are not operational at this stage and all acquisition deals have been put on hold in the meantime.

Defense sources estimate that King Hussein is in a difficult political and economic situation, but they do not expect him to fall because there is no alternative. Hussein is apparently determined to continue the democratization process even if the results entail increased control on the part of Muslim radicals. The next step planned by the King is enacting a national treaty which will provide a legal basis for political parties.

In the briefing, it was further stated that Jordan assisted Iraq during the course of the war. Jordan was part of the Iraqi alert system and also assisted in intelligence and in instructing them on how to operate Hawk missiles taken as booty from Kuwait.

KUWAIT

Political, Academic Figures on Reconstruction Issues

91AE02754 London AL-MAJALLAH in Arabic
6 Feb 91 pp 32-49

[Excerpts] [passage omitted]

Kuwaitis Express Their Views

Dr. Hasan al-Ibrahim, a former education minister:

"Among past errors to be avoided is dependence on others. Self-reliance is needed in the future. The basic lesson of the catastrophe that has befallen us is the magic expression: self-reliance and the renunciation of dependence on others. The new aggregate must be based on hard work, organized effort, and the formulation of an end to hidden unemployment. The future of Kuwait's defense is a part of the future defense of the entire Gulf. It is necessary to formulate an earnest outlook and adopt measures for the entire region. Here, the basic issue is the consolidation of the Gulf Cooperation Council [GCC]. Over the course of 10 years, the GCC's economic and security councils have moved quickly, but the security objective could not be achieved, inasmuch as the invasion shattered security hypotheses. I recommend establishing a Gulf confederation, perhaps like the federation in Malaysia, which comprises several emirates and sultanates whose armed forces and foreign policy are unified. The Gulf experiment itself can be a model for other Arab countries."

As for Kuwait's future relations with its neighbors, "what happened to Kuwait demonstrates the existence of a single Gulf grouping, inasmuch as Kuwaitis who were compelled to live in other Gulf countries felt at home in them. Therefore, if the GCC has in the past been official, recent events show that it is popular as well. Future relations with Iraq must be based on the geographical reality, which is that Kuwait neighbors Iraq.

which is something that we cannot change. After liberation, there must be an agreement to delineate the borders, so that we can guarantee respect of these borders on the part of any future Iraqi government. Also, to guarantee better relations in the future, an apology by the Iraqi government and people and payment of damages are urgently needed." Dr. Muhammad 'Abd-al-Jalil, a professor at Kuwait University and a leader of the Free Kuwait Committee in Washington:

"Last year, Kuwait completed a population strategy to change the ratio [of Kuwaitis to non-Kuwaitis in Kuwait] to 70:30, with the goal of reducing reliance on foreigners. I believe that the emigration [from Kuwait] of population groups from the Far Eastern countries opens a new chapter of dependence on Kuwaiti manpower, followed by Arab manpower. It is necessary to rebuild Kuwait based on foundations that benefit from past mistakes, introduce modern technical methods, and provide an appropriate climate to encourage coming generations. It is also necessary to review the retention of Kuwaiti manpower, the exchange rate, the concentration of investments in Kuwait, and measures to prevent the emigration of Kuwaiti capital."

As for future relations with neighboring countries, "the Gulf countries are in the forefront, given that events have demonstrated their solidarity with Kuwait. Iraq will continue to be an Arab country. It is a friend and neighbor before it is a brother.

"The Kuwait of the future will not will not abandon its view of Iraq as a big brother and an Arab country in which we take pride."

Regarding the future of Kuwait's defense, "the entire region needs to review its security and defense strategy."

Hammud Fahd al-Qash'an, the chairman of the National Federation of Students of Kuwait in the United States and Canada, and a graduate student at Washington University in Missouri:

"It is necessary to benefit from past mistakes, such as neglecting to establish firm borders with Iraq, which allowed Iraq to exploit the border problem as a pretext for its aggression. Another mistake concerns the population composition, especially the expatriate labor force; it is preferable to open the field to Arab, Muslim manpower. We must not treat people unjustly because of their governments' positions, especially Palestinians, Yemenis, and Sudanese, among whom are honorable people, who have been affected just as the people of Kuwait have been affected. Regarding popular participation and general freedoms, there have been voices saying that freedom will divide the people into parties. However, events have exploded this notion and proven the unity of the Kuwaitis in the face of any regime that violates legality. As made clear at the popular Jeddah conference, it is necessary to reexamine the GCC formula. The existence of small countries unable to protect themselves requires the speedy declaration of Gulf unification, while preserving the special nature of each

country. As for the question of who will protect the Gulf states, events have proven the solidarity of Gulf peoples with their leaders. Therefore, officials in the Gulf countries have a duty to make youths aware of the events surrounding them and to conscript them. Here are Kuwaiti youths fighting bravely despite their lack of preparation. Their slogan is 'take up fighting positions' in Kuwait. They have been nicknamed the 'murabitun [territorial army],' which indicates that a country is protected only by its native sons. In looking at the future of Kuwait's relations with its neighbors, Gulf cohesion must be stressed. I also hope for the healing of the wound suffered—because of the invasion—by the Gulf peoples' relations with the peoples of the regimes that supported Saddam. These regimes represent only themselves."

Dr. Badriyah 'Abdallah al-'Awdi, a professor of general international law at Kuwait University, states that postliberation efforts will be directed primarily at Kuwaitis themselves, because they are the pivot of reconstruction in Kuwait. "The make-up of the Kuwaiti individual must be reviewed to define his basic, effective role in building Kuwait's future, whether domestically or on the national, Arab level, and to define thinking regarding the domestic and international reality and ways to deal with this reality, as well as what that entails in the way of a more profound vision and a more correct view, based on which we can interact to a greater degree than in the past."

She adds that there will be an essential change in the security plan for Kuwait and the Gulf countries in general, "because the security strategy of the Gulf states in general must be restructured based on a concept that shuns appeasement and the provision of security to others. Rather, the strategy must be based on readiness to counter at any time."

Al-'Awdi stated that the military power of Kuwait and the Gulf states must be reviewed and based on carefully considered plans, so that these states can at least protect themselves. "Arming programs and reliance on modern technology will be effective in reducing to a minimum the [disadvantage caused by the] small numerical proportion of the Gulf military forces."

Dr. 'Awdi believes that the new Kuwait will see the greater entrenchment of consultation. "Popular participation will have an effective role in political and movement activities in the coming phase, in the sense that no one will feel indifferent after this crisis, but will instead make every effort to help build Kuwait and lay the foundations for its stability. Also, women will have a more positive role in the postliberation phase, inasmuch as they have proven during the crisis that their role is no less than that of men, thus affirming that women have a basic, positive, vanguard role in building the new Kuwait at all levels."

The Invasion Is an Isolated Exception

Dr. Rasha al-Sabah, a history professor at Kuwait University emphasizes to AL-MAJALLAH that there is great

enthusiasm to rebuild Kuwait. "The difference [between now and the past] is that the new Kuwait will be built with much sweat and effort on the part of the Kuwaiti people, whereas the material prosperity of the previous period did not make the Kuwaiti citizen realize the extent of the cultural and scientific achievements made in that period. However, the new Kuwait will be based on the participation of Kuwaiti citizens in all phases of its construction. This will certainly create a new spirit for female citizens and for popular participation in all construction activities."

She adds: "The sabotage and destruction caused by the brutal invasion will be rebuilt. Schools, hospitals, and different organizations that were destroyed will be rebuilt according to the strategy drafted by the Kuwaiti Government in exile. This strategy will be implemented immediately upon the return, so that we can restore to Kuwait the flower of its youth and the special, cultural and scientific luster that has distinguished it despite its small size and population."

"Regarding Arab cooperation, the invasion, despite its effects, will not at all affect our concept of Arab solidarity. We will not forget that Kuwait's security is a part of the Arab nation's national security. The invasion is an isolated exception to the rule and must not affect Arab solidarity. If there is a crack, we will repair it, so that Kuwait will exist as a part of the land of the Arabs."

'Abd-al-'Aziz al-Sari', the director of the culture and arts administration in Kuwait, believes that the postliberation phase will differ completely from the past "because we will establish the priorities needed to build Kuwait and Kuwaiti citizen on all levels."

"After the return, we will first focus and place top priority on the Kuwaiti individual, emphasizing constants, the most important being that we are a part of the Arab nation and the Islamic nation despite all that has happened on account of a small group that betrayed trust and broke a promise. We are influenced by this nation, and we are proud of its role in restoring our country. That is in addition to rebuilding Kuwait, so that it returns to its previous status of being the pearl of the Gulf, and so that normal life can proceed as it did before the invasion." As for relations with Iraq and the Arab and Islamic world, "relations with Iraq and the Arab and Islamic countries will return to their preinvasion status, because the Iraqi people is a part of the Arab nation, and it is not responsible for what its despotic tyrant did to it. They are cousins and neighbors. We cannot dispense with them and they cannot dispense with us, despite what was done by their despotic tyrant, who pursued our people, destroyed our nation, and stole our wealth. Rather, I believe that the Iraqi people understands well the misdeed of its ruler after the destruction and ruination that it experienced. It will return, bearing for us most solemn assurances of love and good neighborliness."

Sa'd Muhammad al-Sa'd, a member of the Supreme Kuwaiti Consultative Body states:

"If this crisis has its negative aspects, it also has its merits. We have ascertained who is an enemy and who is a friend, who helps his brother in a time of trial and who is weak and only concerned with his interests and worldly gains. We must now reevaluate our policy, which was previously based on unilateral good intentions and sacrifices, support of a friend, and the warding off of the danger of an enemy. Now, we must evaluate the situation of the Arab house in light of the crisis' consequences. For example, in the vote on Iraq's human rights violations in Kuwait, 144 countries, from the Far East to the Far West, voted in favor of the report, except Iraq, which opposed it, and nine states, which abstained, including seven Arab states, Libya, Algeria, Mauritania, Jordan, Tunisia, Yemen, and Sudan, as well as Afghanistan, which abstained because of Kuwait's support of the cause of the Afghani mujahidin cause, and Vietnam, whose position is similar to that of Afghanistan in this regard."

"All countries of the world, including Cuba, voted in favor of the report, and seven Arab states evaded siding with the truth. This problem must be examined in studies and researched by researchers specialized in the social sciences, psychology, political science, and history, so that we can obtain a clear picture of our future relations with brothers, whom we believed would be the first to support right and condemn wrong, as if it were to be assumed that they would be the first to oppose Saddam Husayn. However, unfortunately, these governments also helped to mislead their peoples. We must take a courageous stand, view the future magnanimously, and stand on firm ground, so that we can put the Gulf house in order, support Gulf solidarity, and produce a single philosophy for brothers in the Arab world and the entire world."

Responding to AL-MAJALLAH's question about the method for defending Kuwait and building a Kuwaiti military force, Sa'd al-Sa'd states: "I believe that there must be a security system in the region which is on an international level. The world no longer tolerates another Saddam Husayn, and the region no longer tolerates further shocks after the Iraq-Iran war and its resulting destruction, waste of human capabilities and resources, and retardation of the region. The same applies to the Iraqi invasion of Kuwait and its effects. Matters must be anchored in a strong security system that ensures security and peace for countries in the region, and provides the region with an opportunity to rebuild. I believe that the peoples of the GCC states recognize the value of the relationship that binds them together and the need to strengthen and reinforce this relation regarding all aspects and fields. There must be maximum integration and commitments to counter the hazards of the future, especially after some brothers dropped their masks in this trial. We must consider, and borrow from, cultured, advanced peoples. Europe comprises different nationalities, ethnic groups, languages, and economic systems. However, it is covered by a single umbrella, having merged into a unit to face the future. Today's future is with large blocs and entities. It has no

place for the small. We must reorganize the Gulf house together and develop a defendable philosophy vis-a-vis the Arab world and the world at large. We must all cooperate in achieving the interests that we seek for our nation. If we fail to do so and fall behind, the future will have no mercy on us, and we will have no place in the new world, especially at this juncture between centuries. Every Gulf individual now has a duty and responsibility toward his nation, his brothers in the GCC states, and future generations, who will have no mercy on us if we do not take a firm position and join hands to confront the future, because this is our destiny, and what our children hope for. If we are now blaming the one who brought these calamities upon us in the fifties, sixties, and seventies, we must be a model for the region and the transfer of the high banner to the generations that follow us. The truth is that no generation in the Arab world and the Islamic world will ever experience the trials experienced by our generation. If we do not benefit from these trials, we will have committed a crime against ourselves."

Military Power

Regarding the building of a military power and the security required by the GCC states, al-Sa'd states: "In my estimation, we must first protect the people of Kuwait and the Gulf. The security issue is the concern. It has priority. There is nothing more important than the country's domestic security and regional security."

Regarding priorities after the return, Shaykh Salman al-Duwa'ij al-Sabah, a member of the Supreme Kuwaiti Consultative Body:

"After the return, the first priority is security inside Kuwait. It is necessary to become rid of the occupation's residue and to comb the oil areas and areas inside Kuwait to remove all of the effects of the aggression and its byproducts which damage security. As everyone knows, the occupation left no areas undamaged in Kuwait. Second, health care must be provided, because only two hospitals remain in Kuwait after the aggression, and even these two are not prepared after being subjected to irresponsible actions, theft, sabotage, and destruction on the part of Iraqi forces. The second phase entails providing education and quickly establishing solidarity among all Kuwaitis and with the Arab peoples that supported us in this trial. We will eliminate the effects of this aggression and its negative effects on the Kuwait people. God willing. This will take a long time, but a plan has been established for it, and with God's granting of success, and God willing, we will achieve much." [passage omitted]

The Role of Businessmen

Regarding priorities after the purge, 'Abdallah 'Ali al-Mutawwi', a member of the Supreme Consultative Body, the chairman of the Social Reform Association in Kuwait, and a founding member of the World Organization for Solidarity With Kuwait, enumerates:

"Reconstruction, the organization of citizens, and the reconstruction of the medical, water, and other sectors, to be followed by the reconstruction of aspects of daily life, and the construction of banks. Businessmen no doubt have a large role to play in this stage, especially because goods have accumulated at the ports of Gulf countries and must be recovered. It is well known that businessman have a basic role in building, rebuilding, and participating in the new economy. The crisis has no doubt given Kuwaitis much experience and determination to be united and to help one another. Those living inside Kuwait have proven their competence, sincerity, and, in every sense of the word, their fulfillment of their duties. I believe that this crisis is a new experience in evaluating and putting the house in order."

Regarding Kuwait's relations with Iraq after liberation, al-Mutawwi' states: "As Arabs, our outlook springs from our national, Islamic duty, of which there can be no doubt. If Saddam has committed a great crime, we hope that there will be among the Iraqi people those who call for good things and who are opposed to these behaviors. As a part of the Arab nation, Kuwait forever desires reunification."

Regarding his perceptions of the start of the reclamation of Kuwait, al-Mutawwi' states: "No one rejoices over war. A Security Council resolution is the best means after all peaceful means have been exhausted. It has become clear that, notwithstanding such a resolution, no supreme authority in Iraq is taking into account the interest of the Iraqi people, the interest of the Arab and Islamic nation, or regional stability. The Iraqi people has paid a high price because of the deviation of its regime."

Regarding priorities after Kuwait is purged, Bandar al-Duwaysh, a former member of the Kuwaiti parliament, and a member of the Supreme Kuwaiti Consultative Body, states: "There is no doubt about placing priority on construction, joint defense among the GCC states, and the building of a Kuwaiti society that is strong in its will and positions. Much lies before us. We have established a plan, allocations, and ideas. We entreat God to grant us success in carrying out our task. We will rebuild everything that was destroyed by the Iraqi authorities and the occupation. We, our brothers, and our friends will not fail to be strong. God is with us. Of course, there is the reconstruction of the infrastructure, companies, organizations, the economy, and all sectors in need of construction and reconstruction. God grants success."

Regarding Kuwait's relation with Iraq and the Arab and Islamic world after liberation, al-Duwaysh states: "That is subject to circumstances stemming from relations and positions. Our position on the Iraqi government or the Iraqi people in the future is subject to the circumstances. We and Iraq must be neighbors. We hope that this dagger that has been implanted in Kuwait's heart by the Iraqi authorities will not influence relations between the Iraqi people and the Kuwaiti people."

'Abd-al-'Aziz al-Saqr, the chairman of the Chamber of Industry and Commerce of Kuwait, states: "The priorities must be to restore the sectors and different facilities, and to benefit from the accomplishments of the past. God willing, we will have a new outlook, strong arms, and a towering edifice." Regarding Kuwait's relations with Iraq and the Arab and Islamic world after liberation, he states: "We will attempt to repair the breach to the best of our ability."

Good Omens of the Return

Badr Khalid al-Badr, a member of the Supreme Kuwaiti Consultative Body, states:

"On the occasion of the good omens of victory God willing, international society's support of Kuwait's legitimate right to its land and its rallying around its leadership, propitious signs of the return have begun. On this occasion, we salute the courageous position of the custodian of the two holy places and the Saudi People. We salute his Excellency Shaykh Jabir al-Ahmad. We hope that God will prolong stability, and that we will return, benefiting from the many lessons derived from this crisis regarding our Arab Gulf future. Today, we can only thank the world for its honorable, humane attitudes in understanding the cause of truth and adopting what is needed regarding our cause. This points to the credibility of the GCC's realistic foreign policy and dealings with the world. This credibility is no doubt reflected in the just, clear, Arab and international resolutions stemming from this war—which was ignited mainly by Saddam Husayn—regarding our cause and right to return to Kuwait. The forces established a presence to implement the international will regarding the need for a withdrawal from Kuwait, after the Iraqi regime attacked us, its brothers. At this stage, we must stand with our leaders, and the domestic front must be strong. Thank God, this has materialized in this crisis. It is no surprise to members of society on the peninsula. They hold these courageous positions. National unity is now taking shape in the most beautiful form. Thank God, there is no weakness on the part of any party. We have witnessed the spirit of rejoicing among all citizens. This is a beautiful thing. We hope that God will prolong it."

Dr. Khalifah al-Waqyan, the assistant general secretary of the General Popular Kuwaiti Conference, believes that, upon returning to Kuwait, priority must be given to rebuilding what was destroyed. "It is well known that the war and the invasion destroyed all of Kuwait's utilities and economic and social infrastructure. We must restore Kuwait to its preinvasion form.

"Regarding relations with Iraq and the Arab and Islamic world, the Kuwaiti Popular Conference, by virtue of its representation of different Kuwaitis, adopted resolutions and recommendations. It emphasized that: Kuwait is a part of the Arab and Islamic nation; Kuwait will not abandon its Islamic, Arab affiliation; the Iraqi regime is responsible for what it did; the Iraqi people is not to blame for what happened; and Kuwait will keep its commitments regarding its national responsibilities to

the Arab nation, despite the unjust positions of some Palestinian leaders." Regarding negative aspects in the past, al-Waqyan states: "We will strive to avoid them in the new Kuwait. We have attached importance to this topic, inasmuch as specialized committees have been formed to study all of these aspects, enumerate their causes, and formulate ideas and quick solutions to avoid them in the future. Kuwaitis will sense this upon returning, God willing."

"This is also the case regarding preparation of the Kuwaiti citizen for the new development [of Kuwait]. Committees have been formed in every field related to Kuwait's development. Thus, efforts are beginning in all fields based on the activity of Kuwaiti citizens in a manner compatible with the nature of the new life after the return."

'Abd-al-'Aziz al-Mukhalled, the general secretary of the Kuwaiti League for Popular Action, states:

"I believe that focus on new domestic security aspects must be a top priority, so that the Kuwaiti citizen can secure his life, home, and homeland. Other important priorities include: rebuilding Kuwaiti society, whatever the manner of doing so; providing infrastructure to Kuwaiti citizens after the return, so that they can find an honorable livelihood in Kuwait, after the war destroyed everything there; and providing the Kuwaiti people with basic materials and needs."

"Regarding relations with Iraq and the Arab and Islamic world, although the invasion and the position of some countries ruptured these relations, I nonetheless believe that matters will improve after the return by virtue of our legitimate government's wisdom. Kuwaitis and all Arabs know that the Iraqi people is innocent of the deeds of its rulers and myrmidons, who lead them astray. There will be a strong relationship with the Iraqi people if its leadership is assumed by an appropriate government that respects the neighborhood's rights and blots out Saddam's crime."

Regarding the construction of a military force and the best ways to defend Kuwait, "this matter was taken into account. Kuwaitis know that building up their military power is their main concern. I think that, after the return, the situation will differ completely from the past, inasmuch as there will be a Kuwaiti military force that is responsible for defending Kuwait. It will include a large number of Kuwaitis who will assume the honor of defending their homeland, and it will be equipped with the most modern weapons and technology. Our legitimate government has been working on this since the first hours of the invasion."

The same applies to negative aspects of the past and the preparation of the Kuwaiti citizen for new development, "because Kuwaitis have learned their lesson well and are striving to erase all of the negative factors that preceded the invasion. They are also making efforts to strengthen national unity among Kuwaitis, which was achieved after the invasion and was clear in the first hours, when

the Iraqis could not find a single Kuwaiti to collaborate with them during their invasion of Kuwait.

"Some stress that Kuwaiti studies have been drafted and are immediately implementable to ensure the good preparation of Kuwaiti citizens for development in Kuwait, in which men, women, and all groups of the Kuwaiti people of different ages can participate to prepare and build Kuwaiti society culturally."

Compensation of the Kuwaitis Who Remained in Kuwait

Khalid al-Tarrah, the reporter of the general secretariat of the Kuwaiti League for Popular Action, believes that priority must be placed on establishing information and social programs to raise the morale of Kuwaitis in Kuwait and to strengthen their social status to compensate them for the damages and losses they incurred while subject to the odious Iraqi invasion. "Priority must also be given to [popular] participation in forming ideas regarding new life in different sectors of the new Kuwaiti society after liberation, including the reconstruction phase. Also, we will not change the form and nature of relations with the Arab and Islamic world. We will make strong efforts to strengthen the concept of Arab nationalism, given that Kuwait is a part of the Arab homeland and the Arab nation. The practices of the shabby Iraqi regime and what it did in Kuwait with the support of a small group of Arab countries must not be confused with our task in the next stage, which is to establish relations and friendship between Kuwait and the rest of the other Arab peoples including the Arab, Palestinian people, and to strengthen support of the Palestinian cause.

"The state will determine the form and structure of the new Kuwait's military force, inasmuch as these matters are of vital, strategic, interest to the state of Kuwait.

"We have actually begun to strengthen the participation of Kuwaitis in the development process through voluntary and self-initiated activity in all sectors of Kuwaiti life, and by devoting greater attention to industrial occupations for Kuwaiti youth, so that they can lead the development process to build a new Kuwait, without outside participation."

Engineer Walid al-Jasim, a member of the general secretariat of the Kuwaiti League [for Popular Action], states:

"All that concerns us in the coming phase immediately after the return is the need to rebuild economic and social life in Kuwait and to support official agencies in order to consolidate the pedagogic and national fields of Kuwaitis, so that the homeland becomes one of the most important causes that preoccupy the mind of each Kuwaiti now and in the future.

"This also applies to the totality of Kuwaiti-Arab relations, which will witness substantive changes given the position of several Arab states on the invasion in general. This will depend on the plans of the legitimate government in Kuwait after the return. I would think that these relations will take into account primarily Arab rights and pivotal Arab causes.

"In addition, we will attach great importance to building up our military force, so that Kuwait becomes one of the first Arab states in the region to have an army with a high degree of combat and numerical effectiveness. The fraternal GCC states and several Arab states bound to us by close relations are helping us form this military force and make it a reality as soon as possible. One of our first tasks will be to make Kuwait secure and provide military support to any Arab state that hastened to help Kuwait during its trial.

"This leads us to purge negative aspects of the past into which we fell, and which caused us to delay responding to the Iraqi aggression when it occurred, even though Kuwait had been extending the hand of peace until the last moment. However, we have absorbed the lesson well. We are now planning to generate, after the return, the greatest development process ever seen by Kuwait. This process will have the participation of the Kuwaiti citizen, who led the resistance and steadfastness operation in the interior against the Iraqi invasion and refused to cooperate or collaborate with the aggression despite its ugliness.

"With God's help, these Kuwaiti citizens, who opposed the aggression, can quickly outline and define the features of development in Kuwait, so that Kuwait again becomes a country of peace and security, after these citizens take control and dispense with the entire expatriate labor force, except their honorable Arab brothers who supported them in their greatest calamity during the barbaric invasion by the Iraqis."

We Will Not Act Hostilely Toward Anyone

Faysal al-Khalid, a former Kuwaiti trade minister states:

"Our most important preoccupation upon returning is the complete reconstruction of Kuwaiti society and the destruction caused by the Iraqi invasion, with emphasis on: infrastructure, which must provide and ensure an easy, honorable life for the citizen who resisted the Iraqi invasion for the past five months; and on increasing the capacity of services inside the country to compensate all Kuwaitis who were chased from their country during the invasion.

"I believe that such concern on our part will lead us to develop good relations based on mutual understanding and cooperation with our brothers from the peoples and states of the Arab region who stood by Kuwait courageously and constructively in its trial. Although I saw that some of them changed suddenly because of their support of Iraq, our relations are generally based on cooperation, through respect and credibility, with all Arab and Islamic peoples. We will befriend one who befriends us, and we will not act hostilely toward one who acts hostilely toward us. Rather, we will move toward him charitably as we have always done. Kuwait will thus continue to be a country of tolerance and the homeland of all Arabs.

"Regarding the building up of our military force and the best way to defend our homeland, everyone must understand that we are a small country which is based on love and which is not held together by any animosities or disputes with our Arab brothers and neighbors. Even during the Iraqi invasion, Kuwait did not initiate a hostile act. Rather, it was the Iraqis who invaded our country and rejected the hand of peace extended to them. We will seek protection from civilized, international society, which rejects this aggression and rushed to our aid. A military force of the size conceived by some will not benefit us, although this does not preclude the existence of a strong Kuwaiti army that is responsible for protecting our lands. We believe that the great wealth directed at arms purchases must be directed at building a new Kuwait, establishing good relations, and assisting Arab and Islamic states. The people of these states are our brothers. Consequently, it is necessary to cooperate with them in building a joint defense policy, taking into account the distinction between faithful Arabs who rushed to our aid and others who took the position of an observer and even refused to condemn [the invasion]. This will be among the most important duties that we will take into consideration in the coming period. We will strive to transcend the negative aspects. After today, we will not be friendly with those who deceived us and struck us in the back during the outbreak of the crisis."

A Part of the Arab Nation

Yusuf al-Jasim, a member of the Kuwaiti League for Popular Action, states:

"We recognize that difficult tasks await us when we return God willing. The aggressor has destroyed the homeland and annihilated everything in it. All of this requires reconstruction. Another top priority is to build the walls of the national unity engendered by the crisis among the Kuwaiti people, so as to create a new political foundation for building society."

"We will also work to entrench the concepts of popular participation according to what has been proposed and agreed by members of the Kuwaiti Popular Conference in Jeddah. The resolutions of the conference derive from the 1967 Constitution of Kuwait. The conference emphasized relations between Kuwait and other Arab and Islamic countries. It attached extreme importance to these relations and devoted the better part of its proceedings to them, inasmuch as Kuwait is a part of the Arab and Islamic nation and must continue to be in the heart of the Arab and Islamic milieu. An attempt must be made to rebuild the bridges that were destroyed by several Arab governments through their recent positions, which sowed seeds of division between the Arab peoples and Kuwait. However, we distinguish between the positions of peoples and regimes, because these regimes do not consider the opinion of their peoples, who rejected the invasion fundamentally. We regard the Palestinian cause as the main Arab cause, and we will continue to be committed to it based on the consideration that Israel is the main enemy of all Arabs."

In order to build a strong new Kuwait, al-Jasim sees the need for building a military force in cooperation with the GCC states, "so that a unified Gulf military force will come into being, instead of separate armies subordinate to each state. I think that Iraq's attempt has shown the need for a unified Gulf force in which all GCC states are included under a single military leadership shared by the commanders of the six GCC states. In building such a force, we would be helped by several large Arab states, such as Egypt and Syria, because they have advanced military and combat experience. Through this Gulf military force, we can defend Kuwait, Saudi Arabia, Bahrain, and the other Gulf states, with the understanding that this force would cooperate with other Arab and international forces in aiding those who appeal for help. The new development process that will occur in Kuwait after the return will also require some of our honorable Gulf and Arab brothers to help Kuwaiti citizens, who have been preparing to wage the new development battle, inspired by the plans drafted by the specialized committees at the Popular Conference in al-Ta'if, based on the need to focus on rebuilding and preparing the Kuwaiti citizen."

The Role of the Artist

Artist Ahmad al-Salih, the former chairman of the board of directors of the Kuwaiti Popular Theater, states:

"The artist has a very great role in the coming days. I believe that artistic activity can dissolve the psychological wound that has settled inside every Kuwaiti citizen. I imagine that priority must be given to building up the national Kuwaiti army. I am not a military person, but I believe that officials will be preparing for that goal. In the war to reclaim Kuwait, Kuwaiti forces have proven that they are capable of defending Kuwait. Kuwait has always given to its neighbors. I maintain that Kuwait must give to those who are deserving. We have given much to Iraq, but we have received only hatred and denial. I am of course not speaking of the oppressed Iraqi people, but of the Iraqi leadership, which has brought the Iraqi people to this state of affairs."

Kuwaiti musician Salih al-Juraybi is of the opinion that:

"The military solution was the only one that presented itself in the arena. Therefore, this aspect must take priority after the rebuilding of Kuwaiti military power. I recall the treatment I received from my brothers in the Kingdom of Saudi Arabia on my way to leave Kuwait for the kingdom. I will not forget their attitudes, which clearly demonstrated the truth of the feelings harbored by the Saudi people, under the leadership of his Excellency King Fahd, for every Kuwaiti citizen."

"This crisis will remake the Kuwaiti citizen. A feeling is gushing up inside everyone, filling us with an overwhelming love for our land in Kuwait. This love must be transformed into collective work to restore all that was struck by tyrannical hands."

The Role of Theater and the Media

Muhammad al-Ruwayshid, a Kuwaiti writer and editor-in-chief of the magazine *PENINSULA THEATER MANAGEMENT*, states:

"The reconstruction of an army that can defend the borders is the beginning. It is up to us to live in a place safe from treachery. It suffices that we have discovered that our neighbor, to whom we opened our doors, lies in wait for us and wants to take our land. Another issue that must assume extreme importance concerns the difference between the mentality of the Kuwaiti citizen who has remained in Kuwait during the battles and is constantly exposed to death, and the mentality of the Kuwaiti citizen who lives abroad, whose children receive education, and who is guaranteed security and safety. There can be no doubt about the difference between a Kuwaiti who leaves his homeland and a Kuwaiti who remains on his land. We must strive from the outset to eliminate that gap. Regarding relations with Arab and Islamic countries, Kuwait has striven to support these relations. However, after the crisis, we must re-evaluate and distinguish between those who are our friends and those whom we thought were our friends. The building of a military force will of course take priority. In the war to liberate Kuwait, the Kuwaiti Army has proven that it can achieve much when it has an opportunity to fight. The preparation of the citizen will be advanced by the elimination of the effects of this aggression. Theater has a leading role in this regard. I believe that we in the Peninsula Theater Troupe and other theatrical troupes will provide much in this context."

'Abd-al-Rahman al-Hadi, the chairman of Kuwait Radio, the person in charge of the radio and television media at the Kuwaiti Information Center in Cairo, and the chief of the Voice of Free Kuwait, which transmits from Cairo, emphasizes that the media will play an influential role in rebuilding the citizen and eliminating the deep psychological wound. "On the political side, I do not believe that there is a dispute with the oppressed Iraqi people, which Saddam Husayn has placed in this war. In any case, we must reorder relations with Arab and Islamic countries based on their positions regarding the crisis."

He adds: "The construction of a military force is not in doubt. We must have an army that can defend our land. I believe that the media will have an extremely important role as soon as we return to Kuwait and rebuild it."

Education First

Dr. Balqis al-Najjar, a teacher in the English Language Department at Kuwait University and the director of the information administration at the Kuwaiti Information Center in Cairo, states "that education must be given priority. Education in Kuwait must be based on different foundations, especially in the initial phases, because it is education that will prepare the new Kuwaiti for the postwar period."

Regarding relations with Iraq and the Arab and Islamic world, she states that the Kuwaiti people and the Kuwaiti Government, throughout their history, have been lovers of peace. "Kuwait has friendly relations with all countries of the world, despite differences in political systems. It is difficult for the Kuwaiti people to accept another people undergoing the same severe trial to which Kuwaitis have been subjected. Regarding relations with Iraq in particular, she states: The time has come for this matter. I believe that postliberation relations will emanate from the framework of the past. The Kuwaiti people will not have aggressive tendencies toward the Arab and Islamic world. Regarding the building of a Kuwaiti military force, she states: The Kuwaiti people is few in number and has been subjected to collective extermination by an Arab state. We are unable to build a military force to defend Kuwait. Therefore, I believe in the need for an international force to protect the region."

"Regarding negative aspects of the past, it is necessary to reexamine the population composition of Kuwait and provide employment opportunities only to those who want honest work. In other words, it is necessary to review elements that have infiltrated into the country under the guise of employment and that had a role in the current crisis."

"The current crisis has demonstrated the mettle of the Kuwaiti citizen, who has stood his ground and resisted despite the comfortable life that he was living before the invasion. I believe, states Dr. Balqis al-Najjar, that, after the return, parliamentary life will return to Kuwait. His excellency the emir of Kuwait has stated that the validity of the Constitution of Kuwait and parliamentary life will return."

Regarding the preparation of the Kuwaiti citizen for new development, she states that this preparation actually began before the war. "Regarding the education process, there had begun to be a focus on applied and technological institutes to prepare Kuwaiti youths for different occupations. Training courses for young Kuwaiti men and women have indeed started, with a view toward circumstances following the return, especially since the non-Kuwaiti labor force will be few in number due to the war. The training courses that have actually begun include courses in foundry activity, smithcraft, tinsmithing, electricity, automotive repair, sewing, and first aid. Kuwait must be rebuilt with Kuwaiti manpower."

The Return of Legality First of All

Judge Faruq al-Nuri, the deputy permanent representative of the state of Kuwait at the Arab League and a judge in the administrative court of the Arab League, says: "Priority must be given to the liberation of Kuwait and the return of legality to Kuwait under the leadership of the al-Sabah family, who are the symbol of legitimacy and who have represented the Kuwaiti people since the middle of the eighteenth century. In the event of the return of legality, the process of reorganizing state institutions will begin."

Regarding relations with Iraq, he states: "Iraq is a part of the Arab homeland, the Islamic world, and international society. The Iraqi people is not responsible for the results of its leadership's deviation. Iraq's problem is that it has suffered from dictatorial regimes since 1958 and has witnessed the worst of such regimes in Saddam Husayn's period.

"After the war, if Iraq, as a political system, gets rid of its dictatorial government, and if a state of the rule of law and constitutional institutions is established in which basic human freedoms and rights are available, in that case, we would say that Kuwait would not act hostilely toward Iraq. As Kuwaitis, we do not approve of Iraq being punished, as an entity, by being divided into small countries as was the case in the past." Regarding the building of a military force to protect Kuwait, he states: "If the matter were in my hands I would refuse to purchase a single bullet. The new trend in international policy is toward arms reductions. We have a democratic system in Kuwait. Only the establishment of a democratic system in Iraq can guarantee the protection of Kuwait. However, if Kuwait moves toward arming, Iraq would not stop arming, and the two neighboring states would live in a state of perpetual fear. The development process would stop. Then where would the Iraqi military arsenal go? It will be destroyed [as it is being destroyed] during the current war."

He adds that Kuwait must not base its policy and strategy on the behavior of an isolated person who bears no comparison.

As for negative aspects of the past, he states, referring to the Kuwaitis' enormous cultural achievements in all fields: "We do not see any negative aspects. The rarity of such aspects is indicated by the unique example that we have set in history regarding the al-Sabah family and our profession of loyalty to them during the recent crisis. Kuwait has been distinguished by three things in its history: Power has been in the hands of the al-Sabah family, power has been transferred peacefully, and Kuwait has not witnessed any disturbances or civil wars, which also indicates the absence of negative aspects."

Regarding the preparation of the Kuwaiti citizen, he states: "The individual is a basic element in any development process. We must strive to cultivate Kuwaitis who are imbued with the spirit of love and tolerance and who place general interests above self-interests. The individual is the basis of the development process and continued building. In this connections, some have put forward an incorrect idea to the effect that the Kuwaitis are a soft people. This is incorrect as indicated by their quick adaptation to the new circumstances of dispersal."

At the end of the interview, Judge Faruq al-Nuri expressed his gratitude and appreciation to the Arab leaders who helped Kuwait in its trial.

Sa'ad 'Abdallah, a stage actress, states:

"Every Kuwaiti citizen has a priority regarding his country. The process of rebuilding all of the facilities

destroyed by the invasion will have priority, so that Kuwaitis can begin the development process, each according to his specialization, each in his own field. She states that Iraq, as an Arab country, is inarguably not to be blamed for what happened. It is helpless. All that happened stems from the dictatorship of the ruling party in Baghdad."

Regarding the construction of a military force, [she states:] "As a people, we want security and stability. After the return, the Kuwaiti Government will be responsible for considering and exploring ways to achieve this goal."

Regarding negative aspects of the past, she states: "Every society and government has negative aspects and positive aspects. The invasion of Kuwait did not stem from specific, negative aspects. It was contrived over a long time and is not the result of negative aspects, mistakes, or anything of that sort. In the end, she says, every Kuwaiti citizen, after this bitter test, feels that he has a great responsibility to build Kuwait after it is liberated God willing." [passage omitted]

Central Bank Director on Status of Banking, Investments

91AE02774 London SAWT AL-KUWAYT in Arabic
14 Feb 91 p 8

[Text] Cairo—SAWT AL-KUWAYT—Shaykh Salim 'Adb-al-'Aziz al-Sabah, governor of the Central Bank, said that Kuwait is losing \$800 million a month in oil revenues and that the invaders have found nothing to steal from Kuwaiti banks, except some papers and documents in addition to records of bank-client accounts. He said the government is taking care of its citizens and is spending about \$160 million a month to help them manage their affairs. He added: "The Kuwaiti government has proclaimed to the world that it is in solidarity with its financial institutes and will honor all obligations and rights to the depositors and clients, be they individuals or governments."

In an exclusive interview with SAWT AL-KUWAYT Shaykh Salim said that Kuwait's funds and assets have escaped the invasion and were not kept inside Kuwaiti banks; indeed these funds have long been transformed into various forms of foreign investments and placed in successful financial institutes. "These funds are sufficient for the economic activity to continue and for our meeting present financial finance commitments and providing current necessities."

Shaykh Salim 'Abd-'Aziz al-Sabah affirmed that Kuwaiti financial institutes and banks have been operating actively since the invasion, but doing so through new branches and various locations outside Kuwait. He added: "We have established in London in a practical and material manner all the economic instruments for Kuwait, including investment offices, in order to follow up our investments and deposits."

He said: "We have overcome the crisis in a very short time. All our assets are now secured after having succeeded in putting an end to freezing of assets."

Replying to a question about the freezing of assets, he said: "Only a small part remained frozen and we are seeking to free it shortly."

He added: "The invasion has not affected the manner in which we manage our operations, investments, and banks abroad. The invasion aimed at seizing Central Bank assets but found only papers and less than \$2 billion in gold and foreign currencies."

Shaykh Salim said: "The state has pursued a far-sighted financial and economic policy based on diversifying investments and transforming oil money into economic programs, investment funds, and financial portfolios and bonds. For this reason the invasion has failed to destroy our strong investments or the financial and economic system of Kuwait's investments abroad." He stressed that since the invasion the state and the public have been actively working to ensure that Kuwaiti financial activity remained strong, the evidence to which is the fact that international activities and transactions with Kuwaiti monetary and economic institutes have continued.

Shaykh Salim added: "We have abundant liquidity, and we can achieve our objectives. We will not abandon any institute abroad. Rather, we will support Kuwaiti financial institutes and banks in order to meet their obligations and commitments abroad."

He said: "We depend on our credit of good reputation with international banks. For this reason our requests from international banks are always implemented. We find no particular difficulty."

He added: "Our assets cover our liabilities and our investments provide us with a dignified life. We will continue to develop our economy and our financial system in the interest of our people." He said: "It is true that our domestic economy has suffered from the invasion and destruction, but when we return [to Kuwait] we will provide the funds for its reconstruction. We now have ready plans for every sector."

Regarding cooperation with Egypt, Shaykh Salim said: "Cooperation with Egypt is undertaken by our seeking assistance from experts and cadres. This is not something new, for it began materializing clearly in 1986. The Egyptian side understands our requirements and meets them. New fields of cooperation and coordination have been opened. We are now contributing to the sources of financing foreign trade and alleviating the burden on the Egyptian financial and banking system, in addition to coordination of monetary policies, exchanging information, and developing the existing relations and activities represented in banking units. We have many interests in Egypt and always work to develop them and maintain them."

Speaking about Kuwait after returning to it, Shaykh Salim said: "I believe that we should benefit from the lessons of the past, change our life-style, appreciate work regardless of its nature, and build our economy on a firm and solid basis, particularly in those fields in which we are certain of continued success and those which can be developed."

He added: "With the restoration of stability we will return with a new concept, namely the need for self-reliance so that we can rebuild as quickly as possible the sectors that have been destroyed. With regard to the banking sector, which is now in the stage of preparation for returning to Kuwait, training courses are being carried out in this field and whoever wishes to work and participate is accepted."

With regard to the role of the Central Bank concerning deposits and accounts with Kuwaiti banks, he said: "We as a central bank supervise the monetary system in the state and organize transactions between banks and the various economic sectors. Therefore, the bank's role is supervisory, aimed at maintaining the positions of banks and their intertwined relations with units of the world banking system. The state has guaranteed deposits and proclaimed that funds of all depositors are safe and they will receive them immediately upon returning to Kuwait."

Regarding the strength of the dinar, the Central Bank governor said: "The dinar is covered by a basket of international currencies convertible to gold. The certainty that the end of the crisis and the return to the homeland are imminent is the reason behind the emergence of speculation. Ours is a free economy; we believe in the freedom of buying, selling, and dealing. There is no doubt that this reflects confidence and trust in the dinar which remained firm even though dealing in it were suspended."

Regarding the gold that the Iraqi regime seized during the invasion, Shaykh Salim said: "The bank vaults have been opened and their contents of gold and some foreign currencies have been stolen. The money and bank notes taken have been blocked. An emirate decree has been issued suspending dealing with these monies, with no legal obligations accruing on the Central Bank to reimburse the value of these notes in the future." He said these amounts total about \$900 million at the current rate of gold. "The Iraqi regime is being besieged and all the world banks and institutes are being informed of the serial numbers of the gold ingots so as to prevent Iraq selling them in the international market."

Regarding compensation for the damage the invasion has caused to inhabitants and private installations and properties, the Central Bank governor said: "A decision has been issued for setting up a committee to receive claims from individuals and assess the losses they incurred. Every one who suffered damages must submit a claim stating the amount of damage and losses, and in light of these claims the damages and losses will be

verified. Asked whether the state will ask to be reimbursed the money it spent on the citizens abroad, Shaykh Salim 'Abd-al-'Aziz al-Sabah affirmed that the money is a grant from the government in order to ensure a dignified standard of living and good accommodations to citizens. They are outright grants from the emir." He said: "This excellent relationship between the Kuwaiti citizen and the government is the reason for the world support for us. The citizens' rallying around legitimacy is one of the secrets of the world's support for us and its admiration; it is one of the most significant elements of the resistance to the invasion. Thanks to the people's steadfastness at home and abroad and their rallying around legitimacy and national unity, the question of liberating Kuwait became the concern of the whole world." Speaking about the people's sufferings at home, he said: "Our fate is inescapable; everybody is suffering. But we should overcome this ordeal with unity and our insistence on remaining strong whether through developing ourselves or developing our economic and financial institutes."

Asked about the compensations Kuwait will demand, Shaykh Salim said: "We are still surveying our losses, and when the volume and extent of losses is fully defined Kuwait will demand compensations."

Asked about the function of banks after the return to Kuwait, he said: "We are now working out several plans for returning, including exchanging the Kuwaiti dinar, setting up the administrative and the organizational framework, and defining the [bank] branches that will begin operating according to geographical distribution and population density."

Regarding the Financing House and its deposits and withdrawals and whether the government will guarantee it as it guaranteed the banks that operated under the Central Bank, the bank governor said that the state will guarantee all the deposits and accounts both for the government and individuals. "The state has already declared its commitment to do this on the basis that the papers, files, and accounts are in safe hands."

Shaykh Salim said the role of the citizen abroad is to participate in the construction and production teams. He pointed out that the state is losing about \$800 million a month in oil revenues, in addition to spending on the war for liberation. He said: "We should think of changing our consumer and production attitudes and develop the skills that we will need after the return so that we will not be compelled to use a large [foreign] labor and production force."

Regarding the problems of remittances which the public faced at the beginning of the invasion, Shaykh Salim said: "There might have been administrative mistakes in certain banking companies that were engaged in remittances for citizens and clients, or there might have been some financial problems between these companies and their representative foreign banks. But the situation now

is different since these companies and banks have representatives abroad. All these problems will be dealt with separately. There is a solution to every problem."

He said that banks operating abroad have begun solving this problem after having opened branches for themselves and contacting their clients. Also the money exchanging companies have begun following up and solving these problems through their special representative offices.

MOROCCO

1990 Crop Yields Show Mixed Results

Fruits, Vegetables

91.110225.4 Casablanca *LA VIE ECONOMIQUE*
in French 18 Jan 91 p 16

[Article by A.G.: "1990 Export Crops: Profitable Harvest"]

[Text] For citrus fruits as well as early vegetables, the 1989-90 agricultural season brought record returns. Considerably lower tonnage was produced and exported, but prices—both domestically and overseas—soared to unprecedented levels.

Citrus fruit production was down 27 percent from 1988-89—1,049,000 tons compared to 1,450,000 tons.

The decline was most noticeable in the early citruses (clementines, navel oranges), which had done unusually well in 1988-89.

Lucrative Citruses

The less dramatic decline in production of other varieties was due primarily to normal crop rotation. In the case of early varieties, the phenomenon was aggravated by unfavorable weather conditions.

Overall, though, citrus production for domestic use—in processing as well as in the fresh fruit market—was as profitable in 1989-90 as export production.

On the domestic side, agro-industrial customers absorbed close to 150,000 tons; prices paid to the producer exceeded 1,150 dirhams per ton, compared to an average 700 dirhams per ton in 1988-89. Likewise, the household consumption market was strong, with prices ranging between 1 and 2 dirhams per kilogram.

Also, this market is becoming increasingly competitive, since despite the production decline it accounted for 470,000 tons, about 44 percent of the entire citrus crop.

Exports totaled only 440,000 tons, compared to 650,000 tons in 1988-89. But gross earnings reached levels never before seen.

Prices paid to the producer for clementines were three times as high as the previous year; navel oranges doubled; and increases of 25 to 60 percent were recorded for late and midseason oranges.

1990-1991

Production levels this year will be higher.

Overall production, according to the latest projections, should be about 1,275,000 tons, with 540,000 tons of it for export.

The clementine season is nearly over now, and the navel season is well under way.

Experts believe exports will surpass initial projections, especially now with the contract to deliver 60,000 tons of oranges to Algeria.

These deliveries should make up for the loss of exports to the Gulf countries in wake of events in that region.

Early Vegetables

Production of early and miscellaneous vegetables declined 20.5 percent in the 1989-90 season. Open-field tomatoes suffered the greatest decline, due to reduced acreage. In 1989-90, 150,000 tons of open-field tomatoes

were produced with 3,000 hectares under cultivation, compared to 184,000 tons in 1988-89 with 4,050 hectares.

The same trend was noted in potatoes and miscellaneous vegetables. Potato acreage declined from 10,600 hectares in 1988-89 to 7,000 hectares last year, while the area planted in miscellaneous vegetables decreased sharply.

But gross earnings from the 1989-90 season—on both the domestic and the export market—reached record levels, largely compensating for the decrease in production.

This also explains why there has been a significant increase in acreage devoted to early vegetables in the season now under way.

The encouraging returns from the 1989-90 season motivated producers not only to increase the area under cultivation but also to introduce, on a larger scale, new and high-performing varieties better adapted to the demands of foreign market.

This initiative has already begun to show results, and soundings in marketing circles all indicate the current early vegetable crop should be as profitable as its predecessor.

Early and Miscellaneous Vegetables 1987-1990¹

Varieties	1989/90		1988/89		1987/88	
	Area ²	Production ³	Area	Production	Area	Production
Hothouse tomatoes	1,775	120,000	1,670	124,000	1,435	105,000
Open-field tomatoes	3,000	150,000	4,046	184,000	2,600	151,000
Potatoes	7,000	110,000	10,600	158,600	7,950	98,000
Miscellaneous vegetables	1,450	33,000	2,300	53,400	2,020	46,000
Total	13,225	413,000	18,616	520,000	14,000	400,000

1. Sources: SASMA [expansion not given] and MARA [Ministry of Agriculture and Agrarian Reform].

2. Area in hectares.

3. Production in tons.

Sugar, Grains

91AA0225B Casablanca *LA VIE ECONOMIQUE*
in French 18 Jan 91 pp 17-18

[Article by A.G.: "1990 Agricultural Season: Great Advance Toward Food Self-Sufficiency"]

[Text] The 1989-90 agricultural season, despite smaller grain and vegetable crops, marked a great advance toward food self-sufficiency.

Compared to average figures over the last 10 years, statistics for the primary cereal crops in 1989-90 showed a 17.4-percent increase in the area under cultivation, a 4.3-percent increase in yield per hectare, and a 22.5-percent increase in production.

A record breaking 500,000 tons of sugar was produced, enough to meet 71 percent of domestic need. Production of vegetable oils—the area of greatest deficiency—came to 145,000 tons in 1989-1990: 80,000 tons of seed oils and 65,000 tons of olive oil.

Earnings from export crops reached unprecedented levels; this was especially true for citrus fruits and early vegetables, but in lesser measure too for agro-industrial products. It should be noted that this latter export category, which includes canned meat and vegetable products as well as other processed agricultural and meat products, has been growing steadily for the last five years. Overall, Morocco in 1989-90 exported 463,500 tons of agro-industrial products valued at close to 5,000 million dirhams.

Our purpose in the following pages is to review 1989-90 production and export levels in the largest agricultural

sectors, at the same time taking a look at prospects for the new season in light of available statistics, especially on agricultural exports.

In the cereal sector, there was a significant disparity in 1989-90 between acreage planted and acreage harvested, primarily because of unfavorable weather conditions. There was a relative abundance of precipitation, but timing and geographic distribution were poor. The heavy countrywide rains in November and December 1989 accounted for half the year's entire precipitation; this was especially bad for sowings later in the season. Then in February we had a month of dry, cold weather.

Weather Impact

Fortunately, the weather was more favorable in March and April, when precipitation levels were relatively normal. Nevertheless, there were some very striking disparities in the rainfall received in different grain-producing regions, giving rise in some cases to partial or total drought. This was the case in Oriental, Haouz, Sragna, Khouribga, Essaouira and Souss-Massa.

Weather conditions had a significant effect on cereal yields, which declined 17 percent from the previous year; vegetable crop yields were affected to a lesser degree, dropping 5.5 percent on average. But production of primary cereal crops came quite close to meeting overall consumption needs. Although total grain production declined by 15.5 percent from the previous year, production of soft wheat—where the deficit is largest—was down only 7.5 percent. With an overall grain production level of 61.8 million quintals, Morocco ended up with a surplus in barley, a balance between production and consumption in hard wheat, and only a moderate deficit (13-14 million quintals) in soft wheat. In 1990, imports of soft wheat will probably be no greater than they were in 1988, when the total harvest was 73.2 million quintals.

There are two reasons for this. First, the volume of stored grain released in 1989, especially by producers, since official marketing mechanisms handle less than half of each year's production; second, the decision to admix 15 percent barley in the soft-wheat-based flour. This decision, taken in 1988, has begun to yield results: 1989 soft wheat imports amounted to only 13 million quintals with domestic production of 21.6 million quintals, whereas imports in 1988 came to 15.1 million quintals with domestic production of 22.5 million quintals.

Peas and Beans

Peas and beans, like cereals, suffered from the adverse weather, and there was a more or less significant disparity between acreage planted and acreage effectively harvested.

Generally speaking, there was a 1.7-percent increase in area under cultivation, though greater growth was noted in particular crops such as green peas, chickpeas, and beans.

However, the latter commodity—which accounts for the largest share (40 percent) of leguminous crop production—was seriously affected by unfavorable weather conditions.

Thus, despite the significant (5.7 percent) increase in acreage planted, bean production fell 19.3 percent from the previous year, due to the dramatic 23-percent decline in average yield.

But overall, the pea and bean harvest declined by only 0.8 percent, despite the 5.5-percent-drop in yields.

But industrial and oleaginous crops showed undeniable increases, thus contributing to self-sufficiency in terms of staples such as sugar and vegetable oils.

Vegetable Oils

In 1989-90, oleaginous crops were planted on 191,000 hectares, compared to 132,000 hectares the previous year. Sunflowers alone accounted for 163,000 hectares, compared to 114,000 hectares in 1988-1989; cotton (16,000 hectares), soya (5,000 hectares), rapeseed (4,000 hectares) and safflower (3,000 hectares) accounted for the rest.

Overall, seed production increased to 209,000 tons—a new record—compared to 125,000 tons in 1988-89.

This large yield produced 80,000 tons of vegetable oil, raising the production/consumption ratio to 35.5 percent, versus the 20-percent ratio recorded in 1988-89. The 65,000-ton olive oil crop also set a new record: 30,000 tons was exported.

Sugar

The productivity of sugar crops increased significantly in 1989-90, resulting in a 4-percent increase in total production to 513,000 tons—410,000 from sugar beets and 103,000 from cane.

The production/consumption ratio for 1990 was around 70 percent, compared to 65 percent the previous year.

1991 Prospects

Our review of last season would be incomplete without also taking a look at future prospects, especially since the new season is already well under way. What are the agricultural prospects for 1990-91? According to technicians in the Ministry of Agriculture and Agrarian Reform, things look fairly good, despite the capricious weather that interfered with the first phase; but there is some apprehensiveness about the effects of the last cold wave, which with varying intensity affected several cereal production regions.

The season was marked from the start by a meteorological pattern that combined rather lengthy periods of warm weather (September, October, and the first two-thirds of November) with stormy precipitation—poorly distributed—followed by intense and widespread rainfall.

Does it follow that we are going to have a late harvest? Not at all, according to MARA's technical experts.

First of all, about 40 percent of the crop area was planted early—twice as much as last year and about equal to the 1988-89 percentage.

Second, the Gharb region and a large part of Doukkala received a normal amount of precipitation before 15 November, which encouraged growers to sow their cereal crops early.

Also, experts say, this season should benefit from implementation of some of the recent technological advances in preparation, maintenance and protection of crops:

moreover, some of the new varieties of seeds added to the catalogues in 1989 will be available this year.

These higher yield seeds are better adapted than traditional varieties to the country's climatic conditions.

**Principal Grain Crops
(1989/90 and 1988/89 Season)¹**

Crop	Years	Area ²	Yield ³	Production ⁴
Hard wheat	1989/90	1,250	12.9	16,170
	1988/89	1,169.8	15.1	17,665
	Percent change	6.9	-14.6	-8.5
Soft wheat	1989/90	1,450	13.6	19,978
	1988/89	1,459.7	14.8	21,604
	Percent change	-0.7	-8.1	-7.5
Barley	1989/90	2,415	8.9	21,376
	1988/89	2,398.7	12.5	29,986
	Percent change	0.7	-28.8	-28.7
Corn	1989/90	376	11.6	4,356 ⁵
	1988/89	406.5	9.93	4,028
	Percent change	-7.5	17.0	8.1
Total	1989/90	5,510	11.2	61,870
	1988/89	5,433.9	13.49	73,284
	Percent change	1.4	-17.0	-15.6

1. Source: MARA.

2. Area in 1,000s of hectares.

3. Yield in quintals per hectare.

4. Production in 1,000s of quintals.

5. The increase in average yield observed for corn is mostly explained by early sowing, a technique that was explained to growers last year in a broad promotional campaign. The campaign will continue this year.

**Peas and Beans
(1989/90 and 1988/89 Season)¹**

Crop	Years	Area ²	Yield ³	Production ⁴
Beans	1989/90	224	6	134.1
	1988/89	211.9	7.8	1,662
	Percent change	5.7	-23	-19.3
Green peas	1989/90	70	9.1	633
	1988/89	51.2	7.6	388
	Percent change	36.7	19.7	72
Lentils	1989/90	57	5.8	331
	1988/89	58.1	3.8	223
	Percent change	-1.8	52.6	48.4
Chickpeas	1989/90	77	7.6	589
	1988/89	62.4	7	437
	Percent change	23.3	-8.5	37
Others	1989/90	74	6.4	476
	1988/89	109.74	7	746
	Percent change	-32.5	-8.5	37
Total	1989/90	502	6.7	3,370
	1988/89	493.3	7.07	3,400
	Percent change	1.7	-5.5	-0.8

1. Source: MARA.

2. Area in 1,000s of hectares.

3. Yield in quintals per hectare.

4. Production in 1,000s of quintals.

Sugar Crops and Corresponding Sugar¹

Crop	Years	Area²	Yield³	Production⁴	Sugar⁵
Sugar beets	1989/90	64,000	45.3	2.9	410,000
	1988/89	63,090	45.7	2.8	384,900
	Percent change	1.4	-0.8	3.5	6.5
Sugar cane ⁶	1989/90	14,900	82.1	1.15	103,000
	1988/89	15,220	64.8	0.985	93,800
	Percent change	-2.1	26.6	17.3	8.7

1. Sources: MARA, and 1989 report of the Bank Al-Maghrib.

2. Area in hectares.

3. Yield in tons per hectare.

4. Production in millions of tons.

5. Sugar in tons.

6. Area harvested.

INDIA

Handling of U.S. Aircraft Refuelling Criticized

91AS0643A Bangalore *DECCAN HERALD* in English
19 Feb 91 p 8

[Text] Although the prime minister, Mr Chandra Shekhar, said on Sunday that United States military aircraft were no longer being refuelled at Indian airports, the controversy over the issue refuses to be laid to rest. For one thing, two U.S. Air Force transport planes were refuelled at Bombay airport (and one at Madras) on the very day when Mr Chandra Shekhar announced that the practice was no longer going on, apparently because the oil companies, in charge of the operations, have not been given formal orders to stop. Besides, on the same day Union Law Minister Subramaniam Swamy told the media in Madras that the Janata Dal(S) government had reached an agreement with its main prop, the Congress(I), on the issue. Although he did not say what the agreement was, he defended the practice as being in line with United Nations Security Council resolution No. 678, authorising the use of force to free Kuwait. Dr Swamy also dismissed Congress(I) General Secretary Ghulam Nabi Azad's threat that his party would support a no-confidence motion in Parliament on the issue by saying that Mr Azad was unaware of the agreement. Both these statements by Dr Swamy give the impression that the agreement he refers to enables the practice to continue.

Dr Swamy and the oil industry alike may have been unaware of the prime minister's decision on Sunday, but Mr Chandra Shekhar owes it to the country to end the controversy by promptly ordering the cessation of the refuelling operations. As it is, he has temporised long enough by talking of deferring to the will of the people or the consensus of political parties, while the refuelling was going on, when it was patently clear that all parties, except possibly his own 54-strong outfit, oppose refuelling at a time of war.

It needs to be stressed once again that notwithstanding the arguments of several commentators to the contrary, that India is not obliged to facilitate the prosecution of the war in the Gulf. UN resolution 678 only authorises the use of force (implicitly, by those countries who want to use it). As a member of the United Nations, India is only obliged not to hinder the efforts of those who have chosen the war option. Its own position, reflected in, among other things, its pursuit of various peace plans, is that means other than war could have been tried to get Iraq out of Kuwait (and it sincerely supported one such means, economic sanctions). To argue that the decision to extend refuelling facilities is in keeping with UN resolution 678 is disingenuous. It is even more absurd to say, as Dr Swamy does, that only medicines, mail and spares (an ominously vague category of cargo) are being carried in the refuelled aircraft. The deputy minister of state for external affairs, Mr Digvijay Singh, cut a sorry figure on Doordarshan on Sunday when he said that refuelling was a routine matter and admitted that the

cargo was not being inspected. But the prime minister's discomfiture was greater in announcing the decision to stop the refuelling only after being faced, apparently, with the Congress(I) threat to let him fall rather than after seeing the broad political consensus against the facility.

Controversy Over Refueling of U.S. Planes**Cessation Confirmed**

91AS0685A Madras *THE HINDU* in English
20 Feb 91 p 1

[Text] New Delhi, Feb. 19—The Government confirmed today that refuelling of the U.S. military transport planes would end with effect from tomorrow. Begun on January 9, a week before the Gulf war began, the refuelling facility offered to American military aircraft had become a major domestic controversy, causing the Government to attract hostile criticism, especially from its ally, the Congress(I).

The External Affairs Ministry spokesman, in a single-sentence terse announcement, stated *suo moto*, the U.S. Government has decided to make alternative arrangements for transit halts and refuelling of their transport aircraft bound to and from the Gulf with effect from February 20, 1991.

The spokesman declined to give any more details and said in response to a query that he was not in a position to say when the U.S. decision was conveyed to India. It is reported, however, that the formal U.S. position was conveyed today.

Official circles said it was quite possible that a statement on ending of the refuelling facility may also be made by the U.S. Government.

The tone and the tenor of the official announcement on the refuelling issue today left many even in the External Affairs Ministry unhappy as it was felt that it sounded like an American Government announcement rather than Indian statement, intended to hurt Indian self-respect. Nevertheless, informed sources felt the United States had shown sensitivity to Indian public opinion and pulled out of refuelling in India by terminating its request for the facility as it did not wish to embarrass a friendly Government, *vis-a-vis* public opinion any further.

Issue in Lok Sabha

91AS0685B Bombay *THE TIMES OF INDIA*
in English 23 Feb 91 p 1

[Excerpt] New Delhi, Feb. 22—The Lok Sabha today rejected an adjournment motion on the controversial issue of the refuelling of U.S. air force transport aircraft, following a stout defence of the action by the Prime Minister, Mr Chandra Shekhar.

In an unprecedented move, the 86-member Bharatiya Janata Party [BJP] group, though present, did not participate in the voting. Though party leaders did not specify any reason for this step in the house, it apparently reflected the BJP's desire not to take a categorical stand on the issue or to be associated with any move that might destabilise the government on this account.

The motion, tabled by Mr A.K. Roy (Marxist co-ordination), was defeated by 206 votes to 83. One member abstained.

While the ruling Janata Dal(S), the Congress and its allies voted against the motion, it was supported by the Janata Dal and its allies in the Left.

Winding up the acrimonious debate, the Prime Minister justified the government's action and stated: "I see no departure from our old foreign policy, nor have we deviated from our non-aligned position."

He explained that as soon as he realised that the public mood was against refuelling, he asked the United States to stop it. He had also convened a meeting of all political parties and told the leaders that he would ask the United States to do so. However, formalities took time, but finally Washington itself announced that there would be no refuelling in India.

The Prime Minister said that he would not go into the past or blame the former regime and as his was the government in power at present, he would take the responsibility. But he agreed that the facility granted to the United States in peace time should have been reviewed when war began in the Gulf. His government had taken the precaution of insisting that the military aircraft would not carry lethal weapons.

Replying to the main charges made against his government that by allowing the refuelling of U.S. planes the government had alienated India's traditional friendship with Iraq, the Prime Minister gave a spirited defence. He pointed out that Iraq had asked India to look after its interests in Egypt. If the President, Mr Saddam Husayn, had reservations about India, he would not have made such a request. [passages omitted]

Political Significance

91AS0685C *Bombay THE TIMES OF INDIA*
in English 9 Feb 91 p 12

[Article by Jasjit Singh, director of Institute for Defence Studies and Analyses, New Delhi]

[Text] The refuelling of U.S. Air Force aircraft in Bombay and other airfields has raised a storm in India. The basic issues seem to be rapidly receding into the background of public rhetoric and political hyperbole. Although by itself the process would have been considered routine at any other time, the circumstances necessitate a rational and objective examination.

The facts as known publicly so far: U.S. Air Force transport aircraft (essentially the C-141 Starlifter) passed

through Bombay before and after January 17 when the war in the Gulf started. At the same time, a view that the war really started on August 2, 1990 cannot be brushed aside. During January, especially from January 14 onwards, an average of three aircraft per day were provided refuelling facilities at Bombay international airport. These aircraft were flying to and from the Gulf region, and almost all have been identified as flying between Manila (Philippines) and Fujaira (UAE)/Oman. On an average one aircraft was en route to the Gulf region, with two from it.

Logistical Support

This transport airlift represents less than one percent of the U.S. airlift into the Gulf region. The primary route of U.S. air supply to the Gulf region during the past six months (and now averaging 100 missions per day) has been through the West, especially Europe. In addition to the air supply of urgent requirements of material and men, a few hundred cargo ships of U.S. military sealift command and those requisitioned from U.S. civil fleet have been providing logistical support for the buildup and the war effort.

The aircraft refuelled at Bombay picked up between 26,000 and 51,000 litres each. These C-141s could, therefore, have carried a maximum average of around 35 tonnes per day to the Gulf. This is quite insignificant compared to the gross total of upwards of 150,000 tonnes being supplied to U.S.-coalition forces from outside the Gulf region.

The C-141 has a maximum range of 10,000 km; and in this configuration could easily fly the 8,000 km trip from the Philippines to the Gulf region non-stop with or without over-flying Indian air space. However, it would be logical to expect maximum utilisation of every mission. Even then, the Manila-Bombay-Fujaira plan could easily be replaced by Manila-Singapore-Fujaira, especially since Singapore has existing arrangements for providing facilities to U.S. military forces.

These and other factors tend to confirm the view that the refuelling of these aircraft was not a military necessity. The main significance apparently is political, specially as a symbol of co-operation with the United States which has been seeking world-wide acceptance of its opinion to use force in the West Asian crisis.

Third World Issues

There appears to be an impression that has gathered momentum after August 2 last year that the world order is becoming unipolar with the United States as the sole hegemony. However, an objective assessment would indicate that the post-Cold War world is likely to be, if anything, polycentric in nature. It is also reasonably clear that the United States would hardly be comfortable with a hegemonic role in a polycentric world especially since it is constructing its future policies on democratisation and human rights.

The United States is likely to seek a more co-operative framework of political architecture even if a section of American opinion continues to seek an assertive role, and even display apparent insensitivities to Third World issues and aspirations. In fact, the extensive efforts made by the United States seeking international support for its policies with regard to the West Asian crisis is proof enough to support this view.

In this context, Indo-U.S. relations assume a special significance. In recent years, this relationship has been sought by both sides to be placed on an increasingly durable and strong basis. Past experience of bilateral relations have been characterised by many ups and downs, even creating perceptions in India of United States inconsistencies and Superpower dominance. While significant progress has been made, Indo-U.S. relations are still at a delicate stage and can ill-afford getting derailed and refuelling must be seen in this light.

Principles Involved

Providing overflights, transit, especially refuelling facilities for military aircraft of friendly countries would normally be treated as a routine event. It would also be logical to expect a more generalised understanding if more frequent flights are expected and thus obviate repetitive work of case by case clearance. The issue really is of providing refuelling facilities to a belligerent country (the United States) in a war situation; and here our principles are involved. Of course, consistency in policy by itself cannot be treated as a principle; and change should be acceptable if it conforms to the fundamental values and national interest.

At the same time, justification can be found in the U.N. Security Council resolution (No. 678) which requests (and not requires, as some U.S. diplomats would have us believe) all member-states to provide appropriate support in implementing U.N. resolutions. Sensitising public opinion in time to the shift in policy would have gone a long way in reducing the type of negative reaction being witnessed.

Public Opinion

Even if the need for the U.S. aircraft to transit through India is accepted, was this the best way of meeting the requirement. The United States has requisitioned nearly 281 transport aircraft from the airlines constituting the civil air reserve fleet. Use of these aircraft on sensitive routes could have saved a great deal of mutual embarrassment. As noted earlier, it should have been possible to avoid refuelling at Indian airfields even if overflying Indian air space became necessary. It is, therefore, difficult to reach any other conclusion except that the course adopted was meant only as a political signal.

It appears that the keenness of the United States to project a wider visible support for its policy in West Asia may have clouded its perceptions of the implications of its moves. The sensitivities of public opinion in a democratic country appear to have been ignored. At this

stage, when both governments have undoubtedly placed themselves in an embarrassing situation, the best course would be to suspend further transit flights through Indian airfields for aircraft flying to and from the Gulf region.

Shukla Comments on Bombing of Baghdad

91AS0661A Madras *THE HINDU* in English
15 Feb 91 p 9

[Text] The External Affairs Minister, Mr V.C. Shukla, said here today that the United States-led multinational coalition forces "have gone beyond the mandate given by the Security Council in its resolution number 678."

Reacting sharply to Wednesday's missile attack on a civilian bombing shelter in Baghdad in which hundreds of women and children were killed, Mr Shukla expressed grave concern and said that this latest incident, together with the extensive civilian casualties in earlier raids, clearly indicated that the allied "operations have gone beyond the mandate given by the Security Council in its Resolution No. 678 to member states" to implement the Security Council Resolution on withdrawal of Iraq from Kuwait.

In a statement issued here, Mr Shukla strongly requested all countries participating in the military operations to ensure that the conduct of such operations was in strict conformity with the objectives of the United Nations Security Council Resolution. He also stressed the need for the Security Council to meet more regularly to keep the matter under constant review.

Regret Over Civilian Casualties

The statement said the Government of India had had occasions to express its deep concern at the targeting of civilian, industrial, economic and other non-military locations during the course of the hostilities. "We have urged that every possible precaution be taken to protect the civilian population against the devastation and risks of this military operation," Mr Shukla said.

"It is a matter of deep regret that despite the urging of a wide section of the international community in this regard, civilian centres in and around the cities of Iraq and civilian traffic on the roads continue to be hit causing thousands of civilian casualties. There have been reports of attacks on schools and dwelling houses, community shelters and apartment buildings. We have seen with particular grave concern the reports of the recent attack on a civilian bombing shelter in Baghdad causing deaths of hundreds of women and children," the Minister said.

In response to questions the External Affairs Ministry spokesman said that India had wanted an open meeting of the Security Council to ensure a wider debate and remove doubts about the efficacy of the Security Council. From the very start of the war, India had been demanding that the Council meet more regularly to review constantly the situation.

He said that 137,969 Indian nationals had been evacuated from Amman between 14 August 1990 and 13 February 1991. According to him, only 25 Indians remained in Jordan and a chartered flight carrying 182 Indian left Amman on Wednesday. A small number of Indians might be coming to Amman from Iraq and the last charter of the International Organisation of Migration (IMO) would be arranged for them soon.

Rajiv Voices Concern Over High Prices, Budget

91AS0608A Bangalore DECCAN HERALD in English
18 Feb 91 p 1

[Article: "Budget: Rajiv's Warning to Government"]

[Text] New Delhi, Feb. 17. (PTI)—Congress(I) President Rajiv Gandhi today warned the Chandra Shekhar Government against presenting a general budget which could lead to overall hike in prices.

"In case the budget affects poorer sections of society, the Congress(I) will be disturbed and we do not know what we will do then," Mr. Rajiv Gandhi said addressing a public rally organised by the Delhi Pradesh Congress(I) Committee to mark the birth centenary of Dr. B. R. Ambedkar.

Expressing concern over the rise in prices of essential commodities and shortage of diesel, Mr. Gandhi said essential goods were in all probability not reaching the people from storage depots and the Government's distribution system was at fault.

"How can we talk about giving social justice to the people in public speeches when we cannot provide the poor enough to eat," he asked.

Mr. Gandhi asked the Janata Dal(S) Government to make an all-out effort to control rising prices and come out with a programme for providing jobs to the poor.

He charged the Government and the electronic media, the Doordarshan and All India Radio, with bowing to the dictates of Punjab "terrorists" and said "by describing Punjab terrorists as militants, it is not Doordarshan but the prestige of the Government which is lowered."

Sessions: Mr. Gandhi said the Congress(I) had told the Chandra Shekhar Government on January 30 it should plan its strategies as the number of MPs [Members of Parliament] was less and the coming session of Parliament was going to last 11 weeks. "We had also told the Government that the budget should not lead to rise in prices," he added.

Mr. Gandhi expressed concern that despite taxes to the tune of Rs.[rupees] 4000 crore being imposed in the last five months, the Government said its coffers were empty. "There should be a debate in the Congress as well as the country on these issues facing the country", he said, adding that the Government should take steps to reduce spendings.

Stressing that the attitude of the bureaucracy should change, he also felt that the bureaucracy should be told that it was a "catalyst" in bringing about development in the country.

Refuelling: Mr. Gandhi alleged that the United States had asked for refuelling of its planes in a bid to show the Arab countries and the world that India supported the western powers in the Gulf war.

"India should tell the world that it is non-aligned and it will remain non-aligned in future. The day India raises its voice, all other non-aligned countries would follow suit and start speaking," Mr. Gandhi said.

In an obvious reference to the United States, the Congress(I) President felt that India under no circumstances should yield to the diktat of "one power which wants to run the world on its own terms."

"If the United States wanted it could have asked for refuelling facility in Karachi (in Pakistan) which is barely 45 minutes by plane from Bombay. The U.S. made the request to tell the world that India supported that country in the Gulf war", he said.

He alleged that liberation of Kuwait was not the only concern of the United States and that country had several other interests in the region.

Pranab Deputed: It is understood that former Finance Minister Pranab Mukherjee has been deputed by the party high command to interact with the Janata Dal(S) Government regarding the coming budget proposals.

The Congress(I) is likely to discuss and normalise these points during a meeting of its working committee on Tuesday next.

Report on Shekhar's Visit to Nepal

91AS0680A Madras THE HINDU in English
15 Feb 91 p 9

[Article by Anand K. Sahay: "PM Denies Ulterior Motive in Visit to Nepal"]

[Text] Kathmandu, Feb. 14. The Prime Minister [PM], Mr. Chandra Shekhar, today grasped the nettle, as it were, and made forthright public comments seeking to dispel the impression that a big India would dominate a small Nepal a point made even in the speech of the Nepal Prime Minister, Mr. K.P. Bhattarai, last night when he honoured his longtime friend and Government guest—and that his own presence here at this juncture when the election process is on amounted to interference in Nepal's internal affairs. [sentence as published]

At a civic reception accorded to him here, it was amply clear that the present Indian Prime Minister is a major draw in this country. He was applauded again and again by thousands of people at the Dashrath Rangshala in the course of his forthright 20-minute speech which was

quite remarkable by any reckoning, combining as it did public rhetoric with the demands of diplomacy and politics.

The public meeting strongly suggested that India is not seen as a big brother here though this is the strongest impression given off by the political and the professional elite of Nepal.

In the course of a radio and television interview here, the Prime Minister was asked a string of questions on the timing of his visit, and if this was not an interference in Nepal's internal affairs as it came in the course of an incipient national election campaign. Mr. Chandra Shekhar denied it hotly.

He had been asked yesterday at the airport upon arrival if his visit was not meant to help the Nepali Congress, the dominant partner in Government. He had replied that he was interested in cooperating with the Nepalese people and not any particular party.

Coordinated plan urged: Mr. Chandra Shekhar has throughout his visit been using every forum to reiterate that it would be in the interest of both Nepal and India, in view of their interdependent rather than dependent relationship, that a coordinated plan between the two countries be drawn up to harness Nepal's river water resources and that the two countries work together for flood control in rivers originating in Nepal. This was a key feature of the Prime Minister's speech at today's civic reception.

Sharing Nepal's natural resource of river waters that had tremendous power generation and irrigation potential would be a big factor in attacking poverty in both countries, he sought to underline. In this context he persuasively argued that a small country must not be afraid of a bigger neighbour. Indeed, he went ahead and said that India would resist any attack against a small country by a big neighbour in any part of the world. This too was greeted with applause by the listening public.

Tonight the Prime Minister is scheduled to have a private dinner with King Birendra.

Developments in Indo-Soviet Trade, Relations

Consumer Electronics Pact

91AS06724 Bombay THE TIMES OF INDIA
in English 23 Feb 91 p 13

[Boldface words as published]

[Text] New Delhi, 22 February: The USSR has sought India's co-operation in setting up joint ventures to manufacture a number of consumer electronics items in that country and evinced interest in buying software for some of its projects.

In return, the Soviets have offered to supply variety of high-tech electronic items and computers which are now imported from Far East and European countries.

Both the countries signed a protocol here last night to speed up the process of co-operation in this area. It took place at the end of an eight-day eighth meeting of the working group on computers and electronics of the Indo-Soviet joint commission on economic, scientific and technical co-operation.

The discussions were confined to four areas: computer techniques (including software), electronics, communications and automation process control and instrumentation.

The details of the discussions were announced jointly by the leaders of the delegations of the two countries: Mr N. Vittal, secretary, department of electronics (DoE) and Mr V. M. Neiman, deputy chairman of the USSR state committee on computers and informatics.

Consumer products: The USSR has identified many consumer products such as black and white [B&W] television sets, colour TV sets, colour picture tubes and monochrome tubes for monitors, video cassette recorders, audio compact disc players and components for TV sets, for joint production there.

The Soviet side also showed interest in exploring the possibility of manufacturing refrigerators, washing machines and vacuum cleaners in joint ventures. A factory to produce transformers with Indian know-how is also on the cards.

At the same time, the Soviet side proposed that medical electronic equipment could be produced in India with their help. The products under consideration are electro-medical equipment and electronic-baby-care items.

Joint ventures: Other joint ventures under discussion are manufacture of metal ceramic packages and ferrites in India and electrolytic capacitors and dot matrix printers in the USSR.

During the discussions, the Soviet side offered elements for multi-layer ceramic chip capacitors, lead frames for semi conductor devices, glass shell parts for B & W picture tubes and ceramic discs for capacitors.

India currently imports these items from Japan or European countries.

In communications, both the areas have identified a number of products to exchange technical co-operation and set up joint ventures.

These are: establishing small satellite earth stations, thermo electric generator of 160 watt for telecommunication stations, radio relay station of small capacity with the mast tower itself serving as a waveguide for microwaves, additional digital channel in an analogue radio relay channel and portable terminals for INMARSAT (International marine satellite).

The USSR team visited the Centre for Development of Telematics (C-DoT) and evinced interest in buying the know-how to make C-DoT-designed rural automatic exchange (RAX).

Computer software has been identified as an area where mutually beneficial bilateral co-operation can be stepped up.

In this regard, it has been proposed to organise software conferences in India and the USSR for a better understanding of each other's capabilities and software packages.

Aviation Agreement

91AS0672B New Delhi *PATRIOT* in English
13 Feb 91 p 1

[Text] India and the Soviet Union on Tuesday signed a protocol to strengthen and expand cooperation in the aviation industry at the conclusion of the current session of joint group in the field, reports PTI.

According to the Defence Ministry, the protocol was signed by Minister of State for Defence Lalit Vijai Singh and Soviet Minister for Aviation A.S. Systsov.

Though the Ministry officials were tightlipped about what the protocol referred to, it is understood that the civil airliner TU-204 and assembling of Soviet frontliner air superiority fighter MiG 29.

India has inducted 40 of these air defence fighters in the Air Force, but experts feel with the delay in the ambitious light combat aircraft, the country might go in for assembly of these aircraft for an interim period.

The Soviets had offered India the TU-204 aircraft which has the latest fly by wire system like the one in Airbus A-320 with the option of India installing the Rolls Royce RB-211 engines. The aircraft has the capacity of carrying 100 or more passengers and is fuel efficient.

According to Defence Ministry sources, during talks which led to the signing of the protocol, both the Soviet Union and India had affirmed their commitment to strengthen and broaden cooperation in the field of aviation industry.

During their stay in India from 6 February, the Soviet delegation visited the Hindustan Aeronautics various divisions at Nasik, Koraput and Hyderabad. The Ministry said the Soviet Minister had appreciated the quality of production and work culture in HAL [Hindustan Aeronautics Limited].

The various divisions of the HAL produce the frontline Soviet aircraft and most of the entire series of MiG aircraft, including MiG-21, modified MiG-21's, MiG-23 and MiG-27, ground attack fighters and their spares.

Nuclear Submarine Returned

91AS0672C Madras *THE HINDU* in English
8 Feb 91 p 1

[Text] New Delhi, 7 February: INS [Indian Naval Ship] Chakra, the Charlie II class nuclear propelled submarine leased by the Soviet Union to India, has been returned. The submarine which joined service in early 1988 for a

period of three years journeyed back to the port of Vladivostock in late December and it is reported that it was handed back to the Soviet Navy following a brief ceremony on 5 January. The Captain and its crew have since come back home.

The return of the submarine ought to put at rest speculation that India was planning to acquire more nuclear propelled submarines from the Soviet Union or that the Indian Navy had acquired a dangerous new dimension. At the time, the Indian Navy had said it was acquiring the submarine to keep abreast with what it thought was an important and operationally useful propulsion system.

The first talks on the possibility of acquiring such a vessel took place in 1982-83 and the Soviet Union also accepted a number of sailors for training. In early 1987, talks for the lease of a vessel took place and by the middle of the year, the deal was finalised. The Chakra was inducted into Indian Naval Service on 4 January 1988 for a period of three years. There was speculation generated by Western countries that India may acquire more vessels of the type, but this was consistently denied. Even the supposedly authoritative Jane's Fighting Ships had noted that the Soviet Defence Minister had agreed to supply two or three more vessels of the type.

The Chakra with a 5,000 tonne displacement was 94 metre long vessel and was equipped with conventional missiles and torpedoes, a point which was repeatedly emphasised by Indian officials. However its SS-N-7 active radar homing anti-ship missiles with a range of 64 km were its most potent weapon. Its real asset, however, was its ability, because of its nuclear propulsion, to stay underwater for extended periods of time not available for conventionally powered vessels.

It is not clear whether India wanted to keep the submarine for a longer period of time. There is a possibility that the Soviets wanted it back. However the more likely explanation for the return of the submarine is the lowering of India's threat perceptions in the sea and the high cost of maintaining the Chakra. Meanwhile, India's efforts to design and build its own nuclear propelled submarines under the Advanced Technology Vessel Programme continues apace and may indeed get a fillip because of the return of the Chakra.

Kashmir Discussed at Geneva Meeting

91AS0681A Calcutta *THE STATESMAN* in English
7 Feb 91 p 5

[Article: "India and Pakistan Clash Over Kashmir"]

[Text] London, Feb. 6.—India and Pakistan clashed at a meeting of the Human Rights Commission in Geneva when the Pakistani delegation sought to rake up the Kashmir issue, reports PTI.

Speaking at the 47th session of the Commission on Human Rights, Ambassador I.S. Chadha, India's Permanent Representative at Geneva, asserted that the exercise of the right of self-determination could have meaning only in the context of territories which are not self-governing. "It could not possibly be applied to territories which were integral parts of sovereign and independent States."

Mr. Chadha said Jammu and Kashmir's accession to India was of its own free will, and this accession was final and irrevokable. The argument which Pakistan is advancing is a self-serving distortion of the principle of self-determination and to advance this argument is to strike at the very roots of the present-day global order of nation states," he said. Mr. Chadha drew the commission's attention to Pakistan's support to the terrorists operating within India's borders.

The Pakistani delegation accused India of violating human rights in Jammu and Kashmir and reiterated its demand for the right of self-determination for the people in Kashmir.

There were references to "imposition of direct rule from New Delhi" on many Indian States and the Pakistani delegation said these took place under the garb of democracy and constitutional guarantees for human rights.

But Mr. Chadha said "despite the problems we have faced, our faith in fundamental human rights and democratic principles have remained steadfast. We have never spurned democracy or resorted to dictatorial rule. I am not casting aspersions in any particular direction, but if the cap fits anyone, they are welcome to wear it."

He reiterated India's appeal to the Government and people of Pakistan to abandon the path of confrontation and hostility, and to grab the hand of friendship which "we extend to them in all sincerity."

Ambassador Chadha also drew the Commission's attention to the Shimla agreement which provides that "the two countries are resolved to settle their differences by peaceful means through bilateral negotiations or by any other means mutually agreed upon between them.

He said Pakistan's constant efforts to raise this issue unilaterally in various international forums were a clear violation of its commitment under the Shimla agreement.

Pakistan's persistent interventionist diatribes against India and its abetment of terrorism in India were also clear violations of its commitment under the Shimla agreement, Mr. Chadha said.

Efforts Toward Good Relations With Nepal Noted

91AS0608B Bangalore DECCAN HERALD in English
18 Feb 91 p 8

[Article: "Ties With Nepal"]

[Text] It is just as well that no major agreement was signed between India and Nepal during the visit of the Prime Minister, Mr. Chandra Shekhar. Any such agreement would have confirmed Nepali suspicions that Mr. Chandra Shekhar had timed his visit so as to influence the May elections in Nepal, the first true one in over decades. Fortunately, Mr. Chandra Shekhar went out of his way to repeatedly insist that neither he nor the Government of India was going to interfere in Nepal's internal affairs. And Mr. K. P. Bhattarai, the caretaker Prime Minister of Nepal, by calling for the establishment of Indo-Nepali relations on the principles of equality and non-interference made clear to domestic opinion that his friendship with Mr. Chandra Shekhar did not mean that Nepal's interests would be compromised.

After the initiative taken by the former National Front Government last year, the coldness in bilateral relations that had set in over the trade and transit treaty row has thawed. But decades of prickliness about the big brother next door, partly built up by the monarchy in Nepal, will not disappear quickly. An issue that continues to arouse suspicion is India's interest in helping Nepal to develop its considerable and as yet relatively unexploited potential for generating hydro-electric power. The potential in Nepal is far in excess of its needs; Nepali public opinion often sees India's call for co-operation in the area as an attempt to exploit these resources to meet its own needs. India's interest was expressed again by Mr. Chandra Shekhar's visit and the accompanying delegation of senior officials of the Ministry of Water Resources is likely to have put forward specific proposals for harnessing Nepal's resources. Mr. Chandra Shekhar has also said that India is willing to buy any surplus power Nepal may be generating. But further talks in this field should continue after an elected Government assumes office in Nepal so that no opportunity is given to raise the big brother issue. It is also in the interest of India, as the bigger and more powerful country, to go out of its way to demonstrate that while it is keen on utilising Nepal's surplus hydro-power, the latter's interest will come first in any co-operative venture. Mr. Chandra Shekhar's offer of duty-free trade between the countries with Nepal retaining the right to impose import duties during a transitional period is, given the feelings in Nepal, one such right gesture.

Portugal To Return Gold From Enclaves

91AS0678A Bombay THE TIMES OF INDIA
in English 15 Feb 91 p 1

[Article: "Portugal To Return Gold to India"]

[Text] New Delhi, Feb. 14. Portugal has agreed to return securities and gold ornaments kept by the people of Goa in the Banco Nacional Ultramarino (BNU) before the Liberation of Goa.

A protocol in this regard was signed here today by the State Bank of India (SBI) chairman, Mr. M. N. Goiporia and the BNU chairman, Dr. Joao Costa Pinto. The signing of the protocol brings to an end the negotiations

with the Portuguese authorities, initiated after the resumption of diplomatic ties between India and Portugal, and the signing of the Indo-Portugal treaty in 1974.

The total weight of the gold is estimated at 2,80,582 gms, worth Rs[rupees]9.8 crores, at the market prices of gold at home. The ornaments and securities were kept by the citizens of Goa, Daman and Diu in the Portuguese bank, BNU, then operating there. The bank's branches had advanced loans to the local citizens against the security of gold ornaments pledged to the bank.

The agreements provides for transferring en bloc by BNU all outstanding credit, securities pledged to it and the safe custody articles to the SBI against lumpsum payment of principal outstanding, interest thereon and a fixed service charge. The total sum to be paid in respect of transfer will be \$47,348.

The SBI, which will take custody of ornaments and other articles, would allow the borrowers or their legal representatives to redeem them against due payment and return the articles to their owners or their legal representatives.

Assam Rebels Set Terms for Talks

91AS0677A New Delhi PATRIOT in English
5 Feb 91 p 5

[Text] Guwahati, 4 February: Reiterating its readiness for talks, the United Liberation Front of Assam (ULFA) has formally asked the State Government to revoke Central rule and all black laws immediately and create a situation conducive for discussions.

Recognising the authority of the Central Government for the first time, ULFA's central publicity secretary Siddhartha Phukan sent a letter on 1 February to Assam Governor Devidas Thakur appreciating as well as reciprocating the latter's efforts to find a negotiated solution to the problems of the State. The letter was circulated by ULFA to the local press the next day.

In the letter the ULFA spokesman has stated that discontinuation of armed activities and discussions could take place only after the creation of a conducive situation. However, he has assured that ULFA will respond positively to any constructive steps towards a peaceful solution.

In a separate statement issued to the local press, ULFA's publicity chief said that it would reconsider its policy of armed struggle only if it is allowed to conduct a peaceful and democratic struggle.

Mr Phukan said, unlike in many civilised countries, people 'in the occupied territories of India' were not allowed to conduct peaceful and democratic struggle on the demand of self determination of nations. This also propelled ULFA for waging armed struggle against 'Indian colonialism,' the ULFA leader added. ULFA, he

said, considers Assam as an annexed territory and means self-determination as the right to get liberated from India.

Full text of the ULFA's letter to the Governor of Assam is as follows:

"Sir, our attention has been drawn towards the fact that, you have expressed the desire to hold negotiations with us. We appreciate your efforts towards finding negotiated solutions to the problems of Assam. We would like to reiterate that we reciprocate your intentions.

"However, the present situation in Assam is not conducive to negotiations on the principal issues raised by us. Human rights are being trampled on by atrocities committed by the Indian armed forces. Our mothers and sisters are being raped by the Indian Army and, your administration is directly to be blamed for empowering them with unlimited authority over the people of Assam.

"It is only natural to expect that any effort towards discussions should be preceded by efforts to restore normalcy. We are ready to reciprocate any measures taken to create a situation conducive to discussions between the ULFA and the Indian Government.

"A situation conducive to discussions can be brought by:

(1) Immediate withdrawal of all black laws violating human rights.

(2) Withdrawal of President's rule.

Following which, a state of ceasefire could be brought by:

(3) Discontinuation of armed activities by both sides.

(4) Suspension of hostilities by both sides. Discussions on the principal issues raised by us could be started during the state of ceasefire. We assure you that any constructive steps towards a peaceful solution to the problems of Assam would be positively responded to by us. We shall await your response.

"We would like to inform you that, copies of this letter are being released to the press simultaneously. Yours sincerely Siddhartha Phukan, central publicity secretary on behalf of the Central Council, United Liberation Front of Assam."

Former Chief Minister and Assam, Pradesh Congress chief Hiteswar Saikia congratulated ULFA, for expressing the readiness for negotiated solution. Centre should come forward to create an atmosphere conducive for talks, Mr Saikia added.

ULFA's Olive Wreath Said 'Tactic for Buying Time'

91AS0643B Bangalore DECCAN HERALD in English
19 Feb 91 p 8

[Text] Among the reasons being mentioned for the United Liberation Front of Assam's [ULFA] current readiness to negotiate with the Centre is the fragility of the Janata Dal (S) Government in office, from which it

would find it relatively easier to wring out concessions. Though New Delhi might not be flattered by such an assessment there is reason to imagine that the ULFA's 1 February offer through the Governor Mr Debidas Thakur, has been treated less indifferently than it might seem. There have been meetings between Mr Thakur and officials of para-military forces in Assam which have indicated that the possibility of their personnel gradually replacing the armed forces from the trouble-prone districts cannot be discounted. ULFA's other demand—for revoking President's rule and subsequently holding elections—could then be met. Where the "militants" could be going wrong, however, is in stepping up attacks on Congress(I) workers, supposed informers, policemen and Hindi-speaking businessmen since 1 February. It might also have underestimated the consequences of killing without provocation a tea garden manager whose company's influence with officialdom is not very limited. The law and order charge that the Assam Gana Parishad (AGP) Government attracted for its dismissal was in no small measure prompted by ULFA's run-in with a renowned group of tea companies whose withdrawal from the State drew international attention. How it reckons such activities will strengthen the hands of the Centre is not known. If the other reason for ULFA's olive wreath is the pressure—and possible split—it is undergoing owing to the armed forces' offensive, the 1 February gesture could well be a tactic for buying time to recoup. The mainstream political parties cannot be blamed if they mount their pressure on the Centre for revoking President's rule and holding elections on similar considerations—of buying peace to mobilise their forces for an election—rather than any empathy with ULFA. As past experiences with terrorist movements in the North-east have shown, over-reaction from either side has merely delayed the inevitable compromise. While ULFA will have to be tackled by the army till a minimal amount of order is restored, the government and the armed forces must ensure that the job is not done ham-handedly.

Presidential Rule Imposed in Tamil Nadu

Events of Day Reported

9IAS0637A Bombay *THE TIMES OF INDIA*
in English 31 Jan 91 pp 1, 13

[Text] New Delhi, 30 Jan (The Times of India News Service [TOINS])—President's rule was imposed in Tamil Nadu and the state assembly dissolved tonight. A decision to this effect was taken on the basis of the report submitted by the governor, Mr Surjit Singh Barnala, highlighting the breakdown of the law-and-order situation in the state, mainly because of the activities of the LTTE [Liberation Tigers of Tamil Eelam] militants.

Mr Barnala is in the capital at present. The Congress party and the AIADMK [All India Anna Dravida Munnetra Kazhagam] leader, Ms Jayalalitha, have persistently been demanding dismissal of the Karunanidhi government.

(Widespread commotion and sporadic stone-throwing at passing vehicles were reported in many parts of Madras this evening, reports TOINS. Groups of people took to the streets and shopkeepers downed the shutters on the arterial Anna Salai. Some buses were stoned on the Marina sea front road as word spread that the fall of the Karunanidhi government was imminent.

Initial reports of trouble on the streets came from the Parrys Corner area around 6 pm, even before there was any official word from New Delhi. Subsequently, panic closure of shops and incidents of stone-throwing were reported in Purasawalkam, T. Nagar, Triplicane and Mandaveli. Even at 7 pm there was no word from New Delhi.)

It had been alleged that the law-and-order had broken down in Tamil Nadu, particularly because of the inability of the state government to control the LTTE militants. The situation took a dramatic turn when it was alleged in Parliament by the Prime Minister, Mr Chandra Shekhar, that ULFA [United Liberation Front of Assam] activists were being given training facilities in camps run by the Tamil Tigers in Tamil Nadu.

Ms Jayalalitha has been stridently demanding the dismissal of the government. The Congress has also joined the campaign.

Meanwhile, three members of Ms Jayalalitha's party in the state assembly have split. They have been recognised by the speaker as constituting a separate group in the legislature.

The Central government, even under Mr V.P. Singh, was disturbed by the pact that the chief minister, Mr Karunanidhi, declined to receive the IPKF [Indian Peace-keeping Force] personnel when they returned from Sri Lanka to Madras. Tamil refugees, who were opposed to the Tamil Tigers and were forced to leave eastern and northern provinces of Sri Lanka, were not allowed to seek sanctuary in Tamil Nadu.

The V.P. Singh government was forced to send them first to Andhra Pradesh and later to Orissa. It has been widely alleged that Tamil Tigers are getting patronage and support of the DMK [Dravida Munnetra Kazhagam].

The presence of a larger number of Tamil Tigers in Tamil Nadu has caused serious social and law-and-order problems in certain districts in the state and is said to have resulted in a marked increase in smuggling and other undesirable activities.

Madras

There was a flurry of meetings in the state secretariat throughout the day amid an air of expectancy in official circles. Mr Karunanidhi met his cabinet colleagues at his Gopalapuram residence within hours after a cabinet meeting this morning. He is believed to have convened a meeting of DMK functionaries and party legislators late this evening.

What strengthened speculation about the impending fall of the two-year-old Karunanidhi government was the governor's airdash to New Delhi this morning. It is said that two senior officials of the Union home ministry visited Madras yesterday to meet Mr Barnala. They are believed to have carried a message from the Prime Minister.

Mr Barnala, along with the officials, left for New Delhi this morning to meet the Prime Minister. Reports of his subsequent meeting with the President, Mr R. Venkataraman, evoked widespread reaction among the people anticipating the dismissal of Mr Karunanidhi. Groups of his supporters took to the streets stoning state buses. At least four damaged vehicles with smashed window panes were seen parked in front of the police headquarters on the Marina sea front.

Widespread street violence in the city comes within two days of the Congress-AIADMK rasta-roko stir, which passed off peacefully.

UNI and PTI add:

The President, Mr R. Venkataraman, invoked article 356 of the constitution to promulgate President's rule in the southern state.

The DMK government headed by Mr Karunanidhi came to power after a nearly 13-year-long eclipse from power.

This is the fourth time that the Tamil Nadu government has been dismissed by the Centre.

And for Mr Karunanidhi, this is the second time since 30 January 1976 that his DMK government has been dismissed. Earlier, in 1976, the then Congress-I government, headed by Ms Indira Gandhi, dismissed his government at the height of Emergency rule. It was revoked on 28 June 1977.

Mr Karunanidhi's arch political rival and film star-turned-politician, Mr M.G. Ramachandran, came to power in the 1977 elections, heading the breakaway AIADMK. But he too was dismissed on 31 January 1980, by the Congress-I, which had just returned to power after defeating the Janata party.

Text of Proclamation

91AS0637B Madras *THE HINDU* in English
1 Feb 91 p 9

[Text] Madras, 31 Jan—The following is the text of the proclamation issued by the President last night enforcing Central rule in Tamil Nadu.

Whereas, I.R. Venkataraman, President of India am satisfied that a situation has arisen in which the Government of Tamil Nadu cannot be carried on in accordance with the provisions of the Constitution of India (hereinafter referred to as "the Constitution");

Now, therefore, in exercise of the powers conferred by article 356 of the Constitution and of all other powers enabling me in that behalf, I hereby proclaim that:

(a) Assume to myself as President of India all functions of the Government of the said State and all powers vested in or exercisable by the Governor of that State;

(b) Declare that the powers of the legislature of the said State shall be exercisable by or under the authority of Parliament; and

(c) Make the following incidental and consequential provisions which appear to me to be necessary or desirable for giving effect to the objects of this Proclamation; namely:

(i) In the exercise of the functions and powers assumed to myself by virtue of clause (a) of this Proclamation as aforesaid, it shall be lawful for me as President of India to act to such extent as I think fit through the Governor of the said State;

(ii) The operation of the following provisions of the Constitution in relation to that State is hereby suspended namely:

So much of the proviso to article 3 as relates to the reference by the President to the Legislature of the State;

So much of clause (2) of article 151 as relates to the laying before the Legislature of the State of the reports submitted to the Governor by the Comptroller and Auditor General of India;

Articles 163 and 164.

So much of clause (3) of article 166 as relates to the allocation among the Ministers of the business of the Government of the State;

Article 167 and so much of clause (1) of 169 as relates to the passing of a resolution by the Legislative Assembly of a State;

Clause (1), and sub-clause (a) of clause (2), of article 174, articles 175 to 178 (both inclusive); clauses (b) and (c) of article 179 and the first proviso of that article and articles 180 and 181;

So much of article 186 as relates to the salaries and allowances of the Deputy Speaker of the Legislative Assembly; articles 188, 189, 193, 194, 195 and 196; clauses (3) and (4) of article 199;

So much of clause (3) of article 202 as relates to the salaries and allowances of the Deputy Speaker of the Legislative Assembly; articles 208 to 211 (both inclusive) the proviso to clause (1) and the proviso to clause (3) of article 213; and

So much of clause (2) of article 323 as relates to the laying of the report with a memorandum before the Legislature of the State;

(iii) The Legislative Assembly of the said State is hereby dissolved;

(iv) Any reference in the Constitution to the Governor shall in relation to the said State be construed as a reference to the President, and any reference therein to

the Legislature of the State shall in so far as it relates to the functions and powers thereof, be construed, unless the context otherwise requires as a reference to Parliament, and in particular, the references of article 212 to the Governor and to the Legislature of the State shall be construed as references to the President and to Parliament respectively:

Provided that nothing herein shall affect the provisions of article 153, articles 155 to 159 (both inclusive), article 299 and article 361 and paragraphs 1 to 4 (both inclusive) of the Second Schedule or prevent the President from acting under sub-clause (i) of the clause to such extent as he thinks fit through the Governor of the said State:

(v) Any reference in the Constitution to Acts or laws of, or made by the Legislature of the said State shall be construed as including a reference to Acts or laws made in exercise of the powers of the Legislature of the said State by Parliament by virtue of this Proclamation, or by the President or other authority referred to in sub-clause (a) of clause (1) of article 357 of the Constitution, and the Tamil Nadu General Clauses Act, 1891 (Tamil Nadu Act 1 of 1891), as in force in the State of Tamil Nadu, and so much of the General Clauses Act, 1897 (10 of 1897), as applies to State laws shall have effect in relation to any such Act or law as if it were an Act of the Legislature of the said State.

Divisions in Ladakh Said Growing

91AS0659A Madras FRONTLINE in English 15 Mar 91 pp 112-114

[Article by Amit Baruah: "A Divide in Ladakh"]

[Text] Militancy has not only dislocated life in the Kashmir valley but pushed to the background the problems facing the Ladakh and Jammu regions.

Just as the extremists movement was acquiring ominous dimensions, a Buddhist agitation broke out in Ladakh in July 1989 for greater regional autonomy, spearheaded by the Ladakh Buddhist Association (LBA). The demands were Union Territory status for Ladakh and, simultaneously, an autonomous district council for Leh district on the lines of the one in West Bengal's Darjeeling. The LBA admits today that the agitation began with communal overtones.

It is this communal divide which has in a sense weakened the cause of Lakakhis. The failure to put up a joint front of all communities is, of course, not something unique to Ladakh. The Kashmir valley, Punjab and many other areas have "shown the way."

Lakakhis—both Buddhists and Muslims—living in an area of about 59,000 sq km have reason to complain though their demands are being voiced only by a section of the people at the moment. Much of the resentment is generated by the peculiar geographical conditions of Ladakh and the lack of development opportunities. But it has been directed at this or that community.

It is not as if Lakakhis have not raised questions of their "identity" earlier. Their fear of being "swamped" or "enveloped" are very real. Their leaders have repeatedly warned of this possibility. And, for a people who number just about 1.4 lakhs, these "fears" cannot be explained away lightly.

Way back in 1949, the LBA said in a memorandum to Prime Minister Jawaharlal Nehru that "we have the right to determine our own future apart from other communities and people inhabiting the State" and that "we cannot be affected by the result of the forthcoming plebiscite in the event of its being favourable to Pakistan... We are a separate nation by all tests—race, language, religion, culture—determining nationality, the only link connecting us with the other people of the State being the bond of a common ruler."

Further, the LBA had argued: "If the Indian National Congress could persuade itself to recognise the Muslims of India as a separate nation although they had so much in common with the other elements of the Indian population, the Government of India should have no hesitation in recognising what is a patent and incontrovertible fact in our case."

An important qualification was made: "The right of self-determination claimed by us cannot be claimed with equal force by the people of Baltistan including Skardu and part of Kargil tehsils predominantly peopled by Muslims, as they are connected by ties of religion with the majority community in Jammu and Kashmir, nor by the people of Gilgit who came under Dogra rule through conquest after the annexation of Kashmir and whom not only identity of religion but of race as well binds to the majority community of Jammu & Kashmir."

This underlines the fact that it is religion and not language and culture that has been given prominence as a determinant of nationality even in the past. Even though "self-determination" is a far cry, Lakahi Buddhists and Muslims stand divided on religious lines.

Though there have been agitations in the past demanding a greater say for Buddhists in the affairs of the region, the present movement is by far the most significant. Buddhists maintain that they have been discriminated against all along by the Kashmiri-run administrations.

"Although Ladakh suffered discrimination all along in the last 42 years of Independence, it did particularly so after Sheikh Abdullah's coming back to power (in 1975). With a changed political scenario, a political schism was surreptitiously set forth, which succeeded in separating Leh and Kargil into two separate districts," an LBA publication said.

"In separating (Muslim-majority) Kargil from Leh district, Sheikh Sahib's intention was to remind Kargil's predominant Shia Muslims that historical and cultural ties are insignificant factors in Islamic polity, which he was trying to impose on the State," it said.

Other complaints of Buddhists include non-representation in the Government of Farooq Abdullah, "fraudulent" election of a Muslim as the member of Parliament from Ladakh and poor representation for the region in the Assembly itself.

An important demand recently conceded is Scheduled Tribe status for Ladakhis. The agitation for this had been going on for some time as bureaucratic and political recalcitrance delayed its acceptance.

But Thupstan Tsewang, president of the LBA, has a grouse: "We got two percent reservation in State Government services when we were categorised as a backward class. We are getting the same as a Scheduled Tribe." The only gain relates to the seven percent reservation in Central Government services.

Buddhists also complain they have poor representation in State Government services. Lack of educational opportunities, a limited road network and poor health facilities are cited as "symptoms of neglect." In the peculiar geographical conditions of Ladakh, the suspension of helicopter services to Zanskar too has fuelled resentment.

The association was informed by former Prime Minister Rajiv Gandhi that he would not be averse to granting Buddhists an autonomous district council.

Consequently, after a bitter agitation the LBA signed a tripartite agreement with the State and the Central Governments. Under the agreement, signed in the presence of then Home Minister Buta Singh on 29 October 1989, the parties agreed to "find a satisfactory and mutually acceptable solution to the problems of the people of the Ladakh region." In this context, the memorandum of the Ladakh Buddhist Association, which includes the demands for an autonomous district hill council, was received for detailed consideration.

They also decided to "discuss the developmental needs of the people of the region so that an integrated tribal sub-plan could be formulated to be implemented within a specific time frame."

On 10 January 1990 another round of talks was held but it broke down. According to the LBA, the government representatives went back on their "commitment" on granting the council.

Then the LBA staged dharnas but kept its agitation on a low key. As its leaders admit, little was to be gained in terms of attention by "competing" with the militancy in the Kashmir valley.

Samuel Verghese, Development Commissioner for Leh, says the administration is still in the process of being restored after the strike by every single Buddhist employee during the LBA agitation in 1989. He says a "social boycott" of Muslims has been imposed by the LBA. There are also charges that those who do not obey the "LBA line" are dealt with severely. "The LBA enforces its will through violence. If somebody disagrees,

the LBA fines them." He attributes the agitation to the "poor political management." Even that "political management broke down."

Is there any discrimination against the Buddhist community? The Commission says it is "only propaganda," though he admits certain sections have bagged a large number of contracts.

"It is undesirable for only locals to serve in the administration. It is necessary for non-Ladakhis to be involved," he maintains. On the question of development, he says, "Our problem is the lack of competence on the part of the administrative system."

Lack of competence often resulted in poor engineering works. The Stakhna hydel project, for instance, remains either frozen or silted for most part of the year. The Commissioner said they had a serious problem of finding teachers, which had affected the educational system.

"Money, however, is not a problem," Verghese says. He does concede that the panchayat system in Ladakh needs to be reactivated because this forum has been unavailable to the people for some time. On the demand for an autonomous district council, he says: "It is a political demand. Not for me to say something on."

A factor which has done nothing to enhance the stature of the LBA is its overt reliance on the Bharatiya Janata Party (BJP) whose leaders have been visiting Ladakh and throwing vitriol at Kashmiri Muslims from time to time.

Since the valley is closed to the BJP as of now, the party is making common cause with the LBA in attacking Kashmiris from Ladakh and, of course, Jammu. The involvement of the BJP has had a deleterious effect on the situation, says Mohammed Hassan Commander, MP [Member of Parliament] from Ladakh. He is vehemently opposed to granting Union Territory status for Ladakh. He belongs to Kargil and projects views at variance with the LBA's position. "All These demands will give a fillip to militancy."

Commander blames the BJP and the Shiv Sena for the deteriorating communal situation. He is also against any separate hill council for Leh district and, instead, suggests a nominated regional council with 20 Muslims and Buddhists each.

State Governor Girish Chandra Saxena accepted that the people of Ladakh had their concerns and aspirations. "These will be addressed eventually," he told FRONT-LINE. "The interests and wishes of the people will have to be taken into account." Asked about the communal polarisation in the region, he said such feelings would die down if the people were left to themselves. The governor was categorical that there would be no diversion of funds from one region to another.

The signal from Ladakh is clear—that government should get its act together. Sectional demands will continue to be voiced, perhaps with greater stridency.

The imperfections in Ladakh are nothing but a consequence of the warped political process in the rest of Jammu and Kashmir.

CPI Welcomes Statement on Punjab

9IAS0683A Madras *THE HINDU* in English
9 Feb 91 p 9

[Text] New Delhi, Feb. 8—The CPI [Communist Party of India] has welcomed the Prime Minister, Mr. Chandra Shekhar's statement that no solution to the Punjab problem could be found outside the framework of the Constitution.

In a statement here today, the Central Secretariat of the party said there was no question of settling for a solution at the cost of the country's unity and integrity. "In our opinion, it is time he (the Prime Minister) stopped nursing illusions about striking a deal with those who refuse to abjure violence, killings of innocent people and secessionist doctrines."

The statement said that after the Prime Minister's initial talks with Mr. Simarjan Singh Mann and the offer of safe conduct to militants willing to talk there had been no feedback from them. The violence had in the meanwhile become more intense and widespread and the Panthic Committee spokesmen were saying that nothing short of a "Khalistan" would satisfy them.

CPI-M Official Scores Soviet Policy

9IAS0667A Bombay *THE TIMES OF INDIA*
in English 13 Feb 91 p 7

[Article by V.R. Mani]

[Text] Thiruvananthapuram, 12 February: Perhaps for the first time, the CPM [Communist Party of India-Marxist] has publicly come out against the Soviet Union for its stand in the Gulf war.

The party's state secretary, Mr V.S. Achuthanandan, while inaugurating a Democratic Youth Federation of India (DYFI) study camp at Pathanamthitta yesterday, held that the Soviet President, Mr Mikhail Gorbachov, was equally responsible for the war as the U.S. President, Mr George Bush.

Mr Gorbachov was departing from the path followed by his predecessors and helping "American imperialism," he said.

Mr Achuthanandan observed that with the beginning of the Gulf war the Soviet Union had lost its respect in the world. It was unfortunate that Mr Gorbachov's stand was helping the United States.

It is clear that the CPM which had been adopting the Stalinist line and was opposed to the Soviet Union's outright condemnation of Stalin was now trying to tell the youth of the party that all was not well with the Soviet Union.

The party leaders had earlier been chary about the radical reforms enunciated by Mr Gorbachov. But it was perhaps hesitant to suddenly oppose the Soviet Union, especially after worshipping that country all these years.

It was when the reforms were on that the CPM fared miserably in the Lok Sabha poll in the state. Also, the entire Communist world was crumbling and the cry for democracy was in the air in those one-time red citadels.

But it has apparently found the courage now in the wake of the stunning performance of the CPM in the district council poll, and seized the Gulf war and the Soviet Union's stand of not vetoing the war cry at the United Nations to criticise Russia.

At the same time, the party apparently hopes to reap rich political dividends within the country through its stand on the Gulf war. For, the Muslims see Mr Saddam Husayn as a hero. By opposing the United States pulverising Iraq and seeing nothing wrong in Mr Saddam Husayn linking the liberation of Palestine to the Kuwait issue, it clearly hopes to get the Muslim support in the next elections.

It appears that the party's pro-Saddam stance during the district council poll and its perceived benefit to the CPM has emboldened the leadership to take this stance.

It is therefore not surprising that Mr Achuthanandan has asked the DYFI to launch "strong protests."

CPI-M Leader Scores Policy on Punjab

9IAS0679A Bombay *THE TIMES OF INDIA*
in English 14 Feb 91 p 9

[Article: "Punjab Pawn in Power Game"]

[Text] Calcutta, February 13. In a scathing attack on the Chandra Shekhar government's initiatives on the Punjab problem, the CPM [Communist Party of India-Marxist] politburo member, Mr. Harkishen Singh Surjeet, said here yesterday the Punjab situation had become a pawn in the power games being played by the Centre.

It had become an experimental tool in the hands of the unscrupulous Shekhar government, he added, which was trying to complicate the situation further.

Criticising the statement made by Mr. Simranjeet Singh Mann, Mr. Surjeet said that the Khalistani leader belonged to the big landlord class. Mr. Mann had dared to speak on behalf of the entire Sikh community when he declared that the Punjab terrorists would fight on the side of the U.S. in the Gulf war, Mr. Surjeet added. The CPM leaders asserted that the entire people were against U.S. imperialism.

He pointed out that while Mr. Mann had spoken of extending support to the United States, Mr. Chandra Shekhar had granted permission for refuelling of U.S. air force planes. Mr. Surjeet was obviously hinting at a connection between these two actions.

The C.P.I. leader, Mr. Satpal Dang said that in the Punjab, vote bank politics had nurtured communalist and separatist forces. He accused vested interests, among Sikhs and the Hindus of encouraging the terrorists with support from non-resident Indians who were closely linked with the imperialist designs against Indian unity and integrity. He said that funds for the terrorists in the Punjab were coming from NRIs [Nonresident Indians] in the United States and Canada through Pakistan, whose ruling class was supporting the Khalistan movement.

Mr. Dang accused the Indian political establishment barring the left parties, of indulging in vote-bank politics in the Punjab. This was a new development in Indian politics, he said, when political vested interests had been created which were working against the unity and integrity of the nation.

The administration in Punjab, Mr. Dang said, was much weaker than the terrorists. He pointed out that when the terrorists issued guidelines on press coverage, the first to succumb to the pressure was A.I.R. [All India Radio] and Doordarshan.

Rejecting the move by the Shekhar government at the Centre for resolving the Punjab problem, Mr. Dang said, having once invited the terrorists and Mr. Mann for talks to solve the Punjab problem, Mr. Shekhar did not have to repeat his invitation. Mr. Dang demanded that Mr. Shekhar should declare that no discussion on solving the Punjab problem was possible, till the Panthic committees gave up their call for a Khalistani state. He felt Mr. Shekhar should declare that discussions could not take place with the idea of atheocratic state.

Mr. Dang questioned why Mr. Shekhar had to issue invitations to the Khalistanis almost daily having done so once he should go about strengthening the administration. Unless this was done, the back of the terrorist movement could not be broken, he said.

Enunciating a three-point formula for bringing back peace in Punjab, Mr. Dang said the first responsibility of the administration was to restore law and order. Of every hundred persons killed in Punjab, at least 75 were Sikhs. Neither the Sikhs nor the Hindus were articulating this point for vested reasons, he added. The first line of defence, the Border Security Force, had been strengthened by the induction of the Army, which had resulted in a reduction of the amount of arms coming into Punjab from across the border.

Mr. Dang was bitterly critical of the government's information system; whereas the Khalistanis were spreading disinformation with immunity the administration was doing nothing to provide a counter-campaign. Mr. Dang felt that the terrorists in Punjab could be isolated and this could be done only if the administration was seen to be determined and active. He accused the Shekhar government of having no consistent policies in Punjab.

Mr. Surjeet and Mr. Dang were among six speakers at a seminar on Communalism organised by the CITU [Center of Indian Trade Unions] as part of its seventh all-India conference.

The playwright, Mr. Habib Tanvir, said that communalism posed a threat to the folk art and cultural traditions of the country. In the name of "Hindu rashtra," an artificial culture was being imposed which was divorced from the folk traditions of this country.

JP President Swamy Comments on New Coalition

9L1S0608D Bangalore DECCAN HERALD in English
18 Feb 91 p 9

[Article: "Government Reached Agreement With Congress(I): Swamy"]

[Text] Madras, Feb. 17.—Union Law Minister Subramanian Swamy said here today that an agreement had been reached with the Congress(I) on the controversial refuelling issue, and it would be announced when Parliament meets on February 21 for the budget session.

Mr. Swamy told newsmen that the agreement was reached during his long meeting with the Congress(I) President Rajiv Gandhi in New Delhi yesterday.

He said the agreement had accommodated the Congress(I) criticism of the Government's decision to extend refuelling facilities to U.S. warplanes. Asked why Congress(I) General Secretary Gulam Nabi Azad had threatened yesterday that the party would support a no-confidence motion that the Opposition might bring forward if the Government did not reverse its decision, Mr. Swamy said Mr. Azad was probably not aware that an understanding had already been reached with Mr. Gandhi.

He said the decision to extend the refuelling facilities to the U.S. warplanes was in keeping with the UN Security Council resolution 678, which authorised the use of force to drive Iraq out of the occupied Kuwait.

Moreover, only medicines, mail and spares were being carried by the planes, refuelled at Indian airports. The V. P. Singh Government, on the other hand, gave the U.S. planes unrestricted access to Indian air space, which was against the laws of the land.

Mr. Swamy said the Government had decided to modify the decision, keeping in mind the national sentiment and the Congress(I) criticism.

He contended that when a Government with 54 MPs [Members of Parliament] was being supported from outside by parties having 212 MPs, pressures were bound to build up. On top of it, there were also pressures from outside. But the Government always consulted Mr. Gandhi on all national issues as well as key appointments.

No Congress(I) Threat: Mr. Swamy denied that the Congress(I) was planning to come to power through the

backdoor by splitting the Janata Dal(S) and Janata Dal. "I know Mr. Gandhi has no such design, and this Government will last till 1994." He asserted. He said there was nothing wrong in Deputy Prime Minister Devi Lal sending laddus to Mr. Gandhi.

Mr. Swamy saw nothing unusual in Mr. Gandhi's three meetings with President R. Venkataraman in the first week of this month. "We keep the President informed, and even Prime Minister Chandra Shekhar called on him after returning from Nepal."

Replying to a question, he said the Government would come out with a "pro-people" budget. Asked about reports that the Government might go in for a vote on account to avoid presenting a harsh budget in, what is widely perceived to be, an election year, Mr. Swamy said there was nothing unconstitutional in seeking a vote on account. The Union budget to be presented to Parliament on February 28 is unlikely to contain a stiff lose of taxation, he said.

When his attention was drawn to former Prime Minister V. P. Singh's claim that whatever transpired during the latter's visit to Stockholm had been transmitted to the CBI [Central Bureau of Investigation], Mr. Swamy said Mr. Singh had all along maintained that he was never involved in the Bofors deal, and only cleared files as the Finance Minister during the final stages of the negotiations. Investigations into the Bofors and HDW [Howaldtswerke Deutsche Werft] deals, now under way, would hurt the Janata Dal leaders more than anybody else, Mr. Swamy said. Asked which Janata Dal leaders he meant, Mr. Swamy said: "The Jan Morcha wallahs and some people, who were in power in States."

Asked to comment on the view that elections to the Tamil Nadu Assembly can be held only after the proclamation of the President's rule is approved by both houses of Parliament, Mr. Swamy said the approval would be obtained as soon as possible. A minimum of 39 days' notice was required for holding the elections, and "there is time for that." He, however, ruled out elections in April in view of Ramzan and University examinations.

Mr. Swamy, who is also the working President of the Janata Party (JP), said the three-member committee headed by him would soon work out the modalities for merger with the Janata Dal(S) soon.

Seat Sharing: Mr. Swamy has discussed seat sharing with AIADMK [All India Anna Dravida Munnetra Kazhagam] General Secretary Jayalalitha at a luncheon meeting. He said he would meet her again next Saturday.

PTI Adds: Mr. Swamy said the Congress(I)-AIADMK-Janata Dal(S) alliance in Tamil Nadu would emerge victorious, defeating the combine headed by the DMK [Dravida Munnetra Kazhagam] in the coming Assembly elections.

As per the present arrangement, Ms. Jayalalitha's party would get the lion's share, and she would become the

Chief Minister if the AIADMK was elected to power, he said, adding, "I think she will give a better administration."

The main objective of the alliance should be to defeat the rival combine led by "Drutharashtras" and "Duryodhanas", he added.

BJP National Executive Meet, Plenum Reported

National Executive Meeting

91.1S0629.4 Bombay *THE TIMES OF INDIA*
in English 21 Jan 91 p 1

[Text] New Delhi, 20 Jan (The Times of India News Service)—The national executive of the Bharatiya Janata Party [BJP] today announced that the party would be contesting the maximum number of seats in the next general elections to cash in on the pro-Hindu wave that is sweeping the "cow belt" as well as some southern states following the Ram Janambhoomi issue.

A spokesman of the party, Mr. J.P. Mathur, said after the two-day meeting of the executive which concluded here today that the interim report of the 11-member political affairs committee was discussed for over five hours. The committee is headed by the vice-president of the party, Mr. S.S. Bhandari.

While discussing the plan of the next Lok Sabha elections and strengthening the party, it was felt by the members of the executive to focus attention on pseudo-secularism as the main plank in the electioneering.

It was also decided by the party to go in for computerisation in matters of selecting candidates, constituencies and other relevant data. The political affairs committee report submitted to the executive suggested cashing in on the achievements of the three BJP-ruled state governments of Madhya Pradesh, Himachal Pradesh and Rajasthan. The interim report is to be finalised at the Jaipur conclave of the BJP.

The report suggested that to achieve the political goal the party should depute full-time workers in charge of each constituency with adequate back up to face the battle of the ballot. It was also pointed out that the party had already started drawing up a list of likely candidates for the Lok Sabha seats in consultation with the BJP leaders of the states.

As regards electoral adjustments, the executive was of the view that the party should contest as many seats as possible on its own and should not compromise its standing in a particular area while considering any proposal by like-minded parties for seat adjustment.

The executive also decided to set up two sub-committees to formulate the party's economic and political resolutions. Since the number of the delegates to the plenary session of the party has been scaled down from the anticipated 1,00,000 [as published] to 15,000, it was decided by the executive that all the resolutions would be formally adopted at the Jaipur session next month.

The sub-committee on economic issues would be headed by Prof Vijay Kumar Malhotra. For the sub-committee of political issues, Mr K.N. Sahani would be the convener. It would have Mr O.P. Kohli, newly-elected Delhi pradesh president of the party, and Mr Arun Jetley, new nominee to the executive, as its members.

Later, after the meeting, the BJP leader Mr L.K. Advani, talking to reporters said that his party was poised for a big leap forward. He said the single most important issue in the next elections would be "nationalism versus pseudo-secularism."

Asked when he expected the elections, Mr Advani said they could be held any time this year. He said the Congress and other parties with Congress characteristics would be most vulnerable in the next elections as anti-Congressism would still be a factor.

Maintaining that till now all the elections had been decided on the basis of negative votes, Mr Advani said that for the first time in the next elections the result would be determined by positive votes.

He claimed that in the next elections the BJP would certainly be a strong contender.

Mr Advani said he had directed the election committee to indicate how it planned to involve women and youth who had shown great enthusiasm for the party in the last couple of months, reports UNI.

He said the response towards the BJP was so great that in Gujarat "Kamal Clubs" have been organised.

Mr Advani, who would be handing over the reigns of the party on 1 February to Dr M.M. Joshi, said in the past five years the BJP had earned a distinct identity.

Advani Meets Press

91AS0629B Calcutta *THE STATESMAN* in English
21 Jan 91 p 9

[Text] New Delhi, 20 Jan—Having given "a direction" to national politics, the Bharatiya Janata Party [BJP] sees itself "poised for a big leap forward." Mr L.K. Advani said here today when talking to reporters at the end of the two-day meeting of the national executive of the party.

"Immense confidence" was expressed during the meeting. The BJP might contest 450 to 500 seats in the next elections to the Lok Sabha. It was apparent that the executive was in favour of the party contesting on its own—though there was no specific decision to that effect.

Mr Advani felt that one of the main issues during the next elections would be "nationalism versus pseudo-secularism" and he felt that the "popularity, credibility and increased support" for the BJP would be reflected in the ballot box.

Anticipating an election this year, Mr Advani felt it would be a different situation from 1977, 1980, and

1989 when Governments were changed by negative vote. In the present situation the BJP "will be a strong contender." The strategy for the polls will be decided by the new team, which will take over early next month, he said.

Looking back on his tenure as president of the BJP, Mr Advani said it had been a period of "satisfaction."

Mr Advani said he was convinced that the BJP's approach to secularism was "the surest, perhaps the only, guarantee of national unity and in the best interests of the so-called minorities." Ayodhya, he said, was only a symbol, the real issue was what constituted secularism. However Ayodhya had heightened the debate, he admitted.

The BJP's stand on reservations for the backward classes had been well accepted by the people. It had insisted on reservation on the basis of economic backwardness.

While Mr Advani declined to comment on which party would be the BJP's main rival at the hustings, he discounted the theory of the stability of the Congress(I). A party which was not prepared to face an election cannot talk of stability.

The national executive had met mainly to draft the political and economic resolutions which will be presented and adopted at the plenary session of the party in Jaipur a fortnight later. The original plan was that 75,000 people would attend the session. The picture changed after the party decided to scale down the Jaipur session in keeping with the austerity drive necessitated by the Gulf war. The resolutions will be finalized at Jaipur, but two drafting committees have been formed by the national executive.

Mr Kidar Nath Sahani is the convenor of the committee formed to draft the political resolution, he will be assisted by Mr K.R. Malkani, Mr O.P. Kohli, Mr Arun Jaitley, and Mr Govind Acharia. The economic resolution committee has Mr Vijay Kumar Malhotra as convenor and the members are Mr J. Dubashi, Mr Bhai Mahabir, Mr Satish Chandra Aggarwal and Mr Viren J. Shah.

Mr Atal Bihari Vajpayee did not attend today's session as he had to go to the Andamans to attend a meeting of the Rajya Sabha's Committee on Petitions.

New President's Address

91AS0629C Madras *THE HINDU* in English
2 Feb 91 p 11

[Text] Jaipur, 1 Feb—The new BJP [Bharatiya Janata Party] president, Dr Murli Manohar Joshi said here today that Mr Chandra Shekhar's Government was a stop gap one and it was a travesty of the Constitution that the Prime Minister could not even fulfill quorum requirements on the strength of his party in Parliament.

Addressing the national plenary session after taking over as party chief from Mr L.K. Advani, he said the Prime

Minister depended heavily on the Congress(I) for everything. A leader who could not form even an opposition party had been entrusted with the task of heading the Government. "The sanction to a puppet Government that has no mandate has forced a political crisis on the country. My party holds that the only way out is a new mandate."

Dr Joshi said the time had come for a rethink on our political system. There was need to ponder whether the system was adequate, in keeping with the objectives and aspirations of the people. Political parties should seriously consider the review of the Constitution for checking fissiparous tendencies. Article 370 (which accords special status to Jammu and Kashmir) should go.

The "presidential system would be more effective than the present Cabinet system in checking secessionist tendencies. The creation of small States or janapads would be more useful for decentralisation of power, administrative convenience and rapid economic development. So the presidential system and the janapad arrangement would together prove more conducive to the unity and prosperity of the country."

Review Panel Needed

Dr Joshi said that it was necessary to set up a commission to review the various personal laws such as the Hindu law, the Muslim law and the Christian law besides the civil law and to identify the common factors in them. Also a common civil code and a national population policy should be decided upon and a law required for its implementation made. The Minorities Commission should be replaced by a human rights commission and Nepali should be included in the Eighth Schedule.

The new BJP chief said the present Government had to depend upon other parties even for day-to-day parliamentary business. It could neither make far reaching changes nor take hard decisions.

Recently Hindi broadcasts were stopped in Punjab owing to the fear of terrorists. A proposal to buy peace from terrorists by amending the Constitution was also discussed. A minuscule minority Government may perhaps find all this necessary to continue in power, but what fight had the Rajiv Government, with its overwhelming majority, given to terrorism?"

Flaw in Cabinet System

Dr Joshi said that perhaps it was a built-in flaw of the Cabinet system that acquisition and then retention of power required many compromises to be made. If such compromises were made with fissiparous forces and terrorism, it was better not to comment on the outcome, he added. "In the way the Lok Sabha Speaker was recently threatened shows how far Ministers of a minority Government can go in denigrating the Constitution for continuing in office and to what extent the Government can go in submitting an affidavit against the Speaker's directive. Such blows at constitutional

institutions were a grave threat to democracy. I am happy that Mr Chandra Shekhar has recalled the affidavit submitted by the Law Minister in this matter, but the damage done cannot be undone."

'Appeasement of None'

Referring to the Indian psyche and secularism, Dr Joshi said India was never a theocratic State as the Indian mind never accepted the theocratic form of the State. Hindu culture was synonymous with the co-existence of various spiritual and intellectual experiences. Consequently, Indian polity has treated all modes of worship with equal respect. Hence secularism was a fundamental feature of the Constitution. The State could follow genuine secularism only so long as it followed the principle of justice for all and appeasement of none. But unfortunately during the last 45 years, secularism had come to mean appeasement of the minorities. This has led to minorityism which was splitting the country into a number of minority groups. A distorted concept of secularism had reduced Hindus to a sect, and being a good Hindu had come to be considered communal.

Open Debate

An open debate should be held on Doordarshan among all political parties to discuss some points related to national integration. These include: Should being a Hindu be considered as being communal; what were the definitions of communalism and secularism or has the manner in which secularism has been practised in the last 45 years proved beneficial to the country; and finally, what was meant by the national mainstream.

Economy

Talking about the state of the economy and the emerging problems, Dr Joshi said the dire straits the economy was in raised quite a few questions which should be discussed publicly. A sharp debate was called for in this field because in the absence of a healthy and progressive economy the main basis of our freedom would be destroyed, he said.

The country should address itself to many questions such as the relevance of the Nehru model of economic development and its alternatives, and the usefulness of the science and technology policy for industrial development in the context of the country's needs. Also, should our policies not be reviewed in view of the changes taking place in other countries?, he asked.

Hard Decision Needed

Another important fact was that some hard decisions should be taken. Could the present Government prepare the country for them. It was important to save the country from the consumer culture. Simplicity and frugality proper use of natural resources, curtailment in Government expenditure, and other means would fail unless we have a stable and idealistic Government.

Dr Joshi called upon the people to gird up their loins for the unity and integrity of the country and for the protection of our political, economic and cultural independence. "The country today stands at the cross roads of history. Opportunity is knocking at our door. Are we going to let it slip out of our hands? The time has come to awaken the people's power, and harness it to wage a relentless war against the evils of ignorance, hunger, poverty and privation."

PTI reports:

Dr Joshi said the greatest misdeed of the Congress, the communist parties and the National Front was projecting the Ram Janmabhoomi-Babri Masjid controversy as a Hindu-Muslim or Mandir-Masjid issue.

The BJP had always advocated special concessions for backward and oppressed classes and it did not look on them as a vote bank, he said and wanted the reservation issue to be considered without partiality or prejudice. He regretted the National Front Government misused the reservation issue for aggravating social tensions and setting up a vote bank.

The BJP demanded a white paper on the situation in Jammu and Kashmir and said any decision about the valley should respect the sentiments of the citizens of Jammu and Ladakh.

The BJP leader wanted the Prime Minister to clarify what he meant by a constitutional amendment in relation to Punjab.

Resolution on Gulf

91AS0629D Madras *THE HINDU* in English
2 Feb 91 p 11

[Text] Jaipur, 1 Feb—The Bharatiya Janata Party [BJP] today called upon the Government to review its policy regarding refuelling of U.S. aircraft in India and felt that the country could not be allowed to become a party to the Gulf war by proxy.

Talking to newsmen on the resolution adopted by the party's national executive, Mr Jaswant Singh, said that if the country was being used as a base by the U.S. armed forces, the Government should stop the refuelling facility at once. It was important for the Prime Minister to take the leader of the Opposition into confidence and apprise him of the facts. (The leader of the Opposition now is Mr L.K. Advani). A session of Parliament could also be convened to discuss the matter.

Mr Jaswant Singh said the "orchestrated outcry by the Congress(I) is motivated by narrow political concerns. If the Congress(I) is so aggrieved why does it not withdraw support from the Chandra Shekhar Government?"

The BJP leader said that even during the Congress rule, the refuelling facility was provided and nuclear submarines are known to have enjoyed similar facility in India. It was thus not unusual during peace time if such a facility was being granted to U.S. aircraft. However, after

the outbreak of hostilities in the Gulf, the Government should have reviewed its policy.

Early End Sought

The resolution called for an early end to the Gulf war and highest priority for restoration of peace. "This priority is universal and linked to regional or block interests because the consequences of this conflict could well affect the entire mankind. Mindful of that we reiterate this conflict must not be permitted to spread either geographically or in any other dimension."

West Asia Conference

The BJP recommended the initiation of diplomatic endeavours in concert with nations that shared our perception for an early convening of the UN Security Council to review the conflict as mandated through its resolution 678. The Secretary General's report on his visit to Iraq should be made public, the BJP said and urged the Government to take steps in this regard. This should be followed by a comprehensive West Asia peace conference so that all pending UN resolutions, and other related issues of the region were addressed to. It was the BJP's view that the Palestinians had an inalienable right to a homeland just as Israel had a right to exist in the comity of nations.

The BJP said the Government should take the necessary initiatives so that the nonaligned countries could continue to play a role in achieving peace and amity in the world.

The resolution asked the Government to explain what steps it was taking to ensure the safety and security of Indians now in the Gulf. The national executive also appealed to all political parties for restoration of national consensus at least in international relations.

Economic Resolution

91AS0629E Madras *THE HINDU* in English
2 Feb 91 p 11

[Text] Jaipur, 1 Feb—The plenary of the BJP today noted that the "model of State capitalism" had failed miserably not only in India but all over the world. It gave a call for another model in which "every Indian is both a producer and a consumer, with a direct personal stake in the nation's economy, from public undertakings to small enterprises, from the farmer in the field to the worker in the shopfloor."

A resolution adopted at the session said the country would not progress if every citizen looked up to the State for everything from jobs to bread, from the daily bus to the occasional train or plane, and remained for ever its servant, rather than master, which he should be in a democracy.

The time had come for a thorough review of the planning model and for restructuring of the economic and financial system, without which there could be no permanent

solution to our problems. After more than 40 years of planning, the country remained among the poorest in the world.

The people should be the main engine of growth, not the Government, certainly not the kinds of governments we have had in the past. "This is the main lesson of the disastrous experiment in State capitalism, which is what the communist model ultimately became. The Government must regulate, not control; guide, but not push; restrain, but not prohibit the surge of people's energies, which alone can take the nation forward," it said.

The resolution suggested the curtailment of State monopoly over development and management of infrastructure, public participation in equity holdings of all public sector undertakings to a maximum of 49 percent with a ceiling of five percent in case of individual investors.

On Government expenditure, it said a 10 percent reduction in Plan expenditure of Rs [rupees] 64.34 crores would help reduce the deficit by Rs 6,000 crores. It suggested a ceiling on Government non-Plan expenditure related to Gross Domestic Product. Now it was about 15 percent of the GDP[gross domestic product], and should be reduced over the next five years to 10 percent. There should also be a ceiling on national debt. The party had been asking for it since 1987.

Political Resolution

91AS0629F Madras *THE HINDU* in English
4 Feb 91 p 7

[Text] Jaipur, 3 Feb—The Bharatiya Janata Party [BJP] today resolved to provide the country an alternative political culture totally different from that of the Congress.

The national plenary session of the BJP expressed the view that the two Janata Dals and the Congress(I) symbolised the "same malaise" and they have become virtually politically interchangeable groups.

The political resolution adopted on the occasion noted that the Congress political culture which has played a predominant role in India's recent political history has been eating into the vitals of the country's democratic polity. Corruption, both monetary and political, defections, splits, unholy political alliances and appeasement at the cost of national unity were today the hallmarks of the Congress culture. The Congress has even been busy blackmailing and toppling even its own State Governments.

Promises Roti and Ram

The resolution said the BJP had contested the last Lok Sabha elections with an electoral promise to provide new direction to Indian polity. In the past one year, the BJP has virtually remained the only oasis in a desert of instability of opportunism. It has been the beacon of light in the surrounding darkness.

"Today we re-dedicate ourselves to the task of making India great and strong and giving our people both Roti and Ram."

The session reiterated the commitment of the BJP to the concept of one nation, one people, one culture. It rejected the communist theory of India being a multinational State. The BJP is committed to a strong and united India, with equality and justice for all citizens, with appeasement of none. The resolution said the attitude of the pseudo-secular parties in denying to the people of India a temple at the birthplace of Rama was a telling example of their total alienation from the soul of India. It felt that the overwhelming support given by the people to the demand for reconstruction of Ram temple at the site was not only a reassertion of their religious right but also a reaffirmation of their cultural roots and national identity.

The party expressed deep anxiety and profound concern over the deteriorating national situation. Recent events indicated that the country was being pushed to the brink of disintegration. The polity was being destabilised and public life was being debased and devalued all along the line.

'DMK [Dravida Munnetra Kazhagam] Govt Ignored Warnings'

Commenting on the imposition of the President's rule in Tamil Nadu, the resolution said a duly elected Government had been dismissed. Such steps have always been criticised and opposed by the party. However, the DMK Government had failed to tackle the situation arising out of the activities of Sri Lanka militants in the State, so much so that apprehension had arisen in the minds of the people of Tamil Nadu that a challenge was being built up there to the very unity of the country. The BJP had been warning the State Government to realise the danger arising out of its passivity but it fell on deaf ears. This situation could have been contained, had the V.P. Singh Government taken timely steps. It was for the present Government to justify its action by doing what the preceding State and Central Governments had failed to do.

In Andhra Pradesh, in eight whole districts, the writ that ran was that the People's War Group [PWG], a violent naxalite splinter and not that of the State Government. The Congress, TDP [Telugu Desam Party] and Janata Dal were busy wooing the PWG and not restoring law and order in these districts.

The resolution also talked at great length about the situation in Punjab, Jammu and Kashmir, Assam, Uttar Pradesh and other parts of the country. It had a dig at other political parties which were pursuing policies that were creating deep fissures in society in the name of secularism. These parties have shown no interest in the emancipation of minority groups from their social or economic backwardness. But they have been assiduously exerting to create in them an intense minority complex by supporting demands for a special status for Kashmir.

retention of separate personal laws, establishment of a minority commission with constitutional status, setting up of a special riot force and so on. All these gravely impaired India's national unity and tended to generate the same divisive attitudes which, four decades ago, led to the murderous partition of our motherland.

Joshi 3 Feb Speech

91AS0629G Madras *THE HINDU* in English
4 Feb 91 p 7

[Text] Jaipur, 3 Feb—The newly-elected president of the BJP [Bharatiya Janata Party], Dr Murli Manohar Joshi sought the support of the people to revive the ancient glory of the country. Years of colonial rule followed by the "misrule" of the Congress after the attainment of Independence, has made the country culturally and economically emaciated and the people directionless, he said.

Addressing a mammoth public meeting here on Saturday he blamed the Nehruvian experiment for the ills of the country. About 2,500 years ago India used to excel in various fields and was known all over the world for its riches. But, the decay started because the countrymen ignored their tradition and culture, he said.

He blamed the wrong policies of the previous governments for the country's poverty. It was indebted to 24 nations at present including even small countries like Argentina and Brazil. The country's position among the most indebted nations was next only to Mexico and Brazil. If counted individually every citizen in the country had a foreign debt of over Rs [rupees] 1,500 and an internal debt of Rs 2,900, he pointed out.

Only Party

Dr Joshi claimed that the BJP was the only party which practised internal democracy. None of the party leaders had any political background. His father was a Government servant while Mr Vajpayee's father too was not in politics. Unlike other parties which ensured party posts for the progeny of top leaders the BJP treated every party worker equally, he said. If the party assumed power in Delhi any ordinary citizen could aspire to become the Prime Minister of the country irrespective of his family's political standing, he claimed.

Expressing concern over the growing unemployment in the country, he said while the traditional employment avenues were being shut, the foreign companies with their devious methods and machines were spreading their tentacles all over, he said.

Talking about alternatives he cited the example of Tirupur in Tamil Nadu where the local hosiery industry was earning foreign exchange worth Rs 250 crores annually. If the country could create more such centres it would excel economically, he said.

He termed the growing communalism and secessionism as the other major threats faced by the country. He compared the rath yatra by his predecessor, Mr Advani

as the first event after the Dandi march of Mahatma Gandhi which united and awakened the countrymen on such a large scale.

'Dirty Politics'

Mr Atal Behari Vajpayee said the Congress(I) would have to own responsibility for the failures of the Chandra Shekhar Government. The Congress was currently trying to both enjoy power as well as play the role of the Opposition.

Terming this as dirty politics the BJP leader said that either the party should withdraw its support to the Chandra Shekhar Government and pave the way for midterm elections or join the Government at the Centre.

Mr Vajpayee said Mr Chandra Shekhar was a clever politician but elections were not in his agenda as this would mean an end to his prime ministership. However, the country which was passing through a critical phase due to economic crisis, internal threat and Gulf war, needed a popular government with a fresh mandate. By clinging to power, Mr Chandra Shekhar was acting against the interests of the country, he said.

He felt there was a need for the countrymen to unite forgetting their differences in the wake of the Gulf war. He condemned processions encouraged by both the Congress(I) and the Janata Dal, held in various parts supporting the Iraqi President, Mr Saddam Husayn. This showed the world that India was a divided house, he said.

Earlier, a colourful procession with caparisoned elephants, camels and horses was taken out from the Sawai Man Singh Stadium, the venue of the party's plenary session to the public meeting venue at the Ram Niwas Gardens.

Action Plan Described

91AS0629H Madras *THE HINDU* in English
4 Feb 91 p 7

[Text] Jaipur, 3 Feb—The action plan drawn by an 11-member working group of the BJP [Bharatiya Janata Party] led by its vice president, Mr Sunder Singh Bhandari, has recommended that the party should strive to establish "Ram Rajya—that is a just and moral order in social, economic and political spheres of life." It states that the party should not merely stop after building the Ramjanmabhoomi temple.

The working group was constituted in Calcutta in April last year to suggest ways and means of consolidating the electoral gains, extending the influence of the BJP to more regions and wider sections of society and to meet the challenges of the nineties. The detailed report was adopted by the national executive and placed at the plenary session of the party.

Assurance to Muslims

The report which gives both short-term and long-term measures noted that some of the professional detractors of the BJP had been inciting Muslim brethren against the party. Their only interest in Muslims was their votes.

"If Muslims are happy with this situation they are welcome to it. If not, let them sit up and think afresh, the BJP would advise them to free themselves from fear. We shall neither appease anybody nor allow any injustice to be done to anybody. Let them stand up as men with a capital 'M' be true to their faith as Muslims and true to the country and the culture that is common to us all, as Indians and they will have no problem. Let them work shoulder to shoulder with everybody else to rebuild the country."

Job Reservation

Referring to job reservations, the working group has reiterated that reservations should be favoured with an economic criterion—that is for the poor among the backwards. However, the BJP was convinced that job reservation was not enough. Bright children of poor families belonging to all castes and communities must be identified at an early age. Their education and upbringing should be a charge of the State. It was suggested that the Navodaya schools may be converted into residential schools for the bright children of poor families. Only 10 percent was employed in private or Government service. The remaining 90 percent was self-employed. The BJP therefore should think in terms of re-training these people in their respective craft or occupation, so that they could improve their economic condition.

The working group was of the view that a basic reason for the discontent and tension gripping the country today was the low rate of economic growth. The GNP [gross national product] was not growing fast enough to meet the rising expectations of an increasing population. There was no earthly reason why the economy could not grow at the smart rate as those of Japan, Taiwan and South Korea. It recommended the appointment of an expert committee to suggest ways and means programmatic, institutional and structural—of doubling the growth rate by the year 2000 AD.

BJP Said Ready for Elections

Prepares Election Strategy

91AS0646.1 *Calcutta SUNDAY in English*
23 Feb 91 pp 11, 13

[Article by Shiraj Sidhva: "Fighting Fit, the BJP Gives Up Its Election Strategy"]

[Text] If there's one party that is prepared to go to the polls, it is the Bharatiya Janata Party (BJP). It is ready to ride high on the crest of a Hindu wave it so meticulously engineered last year with the lotus as their symbol and Ram as its trump card. Returning to Delhi after a

triumphant fifth plenary session of the party in Jaipur where its strategy was chalked out, Dr Murli Manohar Joshi, the party's new president, announced that over the next two years partymen would have to "carry the party to new heights".

The euphoria is clearly perceptible in the party's central office on Delhi's Ashoka road. The establishment of Ram Rajya is no longer an ambiguous goal, but a clearly-defined strategy for winning power at the Center and ushering in "an alternative political culture". And there is a new slogan to carry the party to victory—"Ram and roti"—a pledge which promises the "material, moral and mental uplift" of the masses.

The Jaipur meet fully endorsed outgoing president Lal Krishna Advani's decision that the party should completely identify with the Ram Janmabhoomi issue and use it as the main plank for wresting power at the Center. Party leader Atal Behari Vajpayee, often perceived as the "moderate element" in the BJP, thanked Advani for the "unprecedented awakening" of the masses brought about by his strategy.

While the party's decision to discontinue its rath politics ("I will neither fly nor go on a rath; I will march. I require will power, that's all, and I have enough of that", claimed Joshi, when asked whether he would embark on a rath yatra) has been interpreted by some as a signal that the party is "changing gear", the Ayodhya issue will continue dominating the BJP's scheme of things. "Ayodhya issue will continue dominating the BJP's scheme of things. "Ayodhya and Kashmir will be the two symbols in our struggle to establish a national identity," declared Advani.

The party's three-day plenary session reiterated that the BJP's biggest task was to sustain the momentum gained by the rath yatra and transforming the religious fervor into a solid vote bank. Acknowledging the Vishwa Hindu Parishad's (VHP) efforts to ensure that the Ram temple came up, Advani noted: "The BJP will not rest till a Ram mandir is built."

Announcing their decision to hold rallies "in hundreds of towns and cities" in Punjab from 23 to 30 March, the leaders said that they would "mobilize the people's resolve" to maintain law and order in the state and "checkmate secessionism". And, regarding Kashmir, the party announced its programme of organizing a massive march to the Valley on 23 June, "the day of Dr Shyama Prasad Mukherjee's martyrdom in Kashmir in 1953", and hoisting the national flag in Srinagar's Lal Chowk. The party also reiterated its demand for the abrogation of Article 370 of the Constitution, which gives Kashmir a special status.

The decision to storm the troubled states amplifies the party's unwillingness to soften its attitude against secessionism. At the same time, it fears that its political aggressiveness might foment social anarchy. Vajpayee's parting warning at Jaipur amply illustrated this. "There

is a storm in favor of the BJP," he remarked. "While converting this storm into a hurricane, we must not be blown off our feet."

Party leaders admit that it will not be easy to draw the dividing line between religion and politics. The rath yatra led to the blurring of the distinction, and now there is no scope of turning back. A senior leader fears that the new elements mobilized by the VHP in the post-rath yatra period may not be as disciplined and committed as the BJP and RSS [Rashtriya Swayamsevak Sangh] members.

Advani's valedictory address established that the BJP leaders are concerned about the fact that some of the newer cadres are more inclined towards religious fundamentalism than politics. "We have succeeded so much that our party workers seem to forget that we are a political party and not a religious organization," he noted. "We should use political slogans and not religious ones." But that would not dilute the BJP's support for the VHP's efforts to build the temple, he added.

Advani's confidence in the party's ability to establish a BJP government in Delhi was evident when he told his workers that people no longer talked in terms of Congress and anti-Congress but BJP and anti-BJP. "Do not get worried when you are attacked," he told his party workers. "The more we are attacked, the more we are isolated, the greater our strength," he thundered.

Insiders say that the party will now be led by the troika comprising Joshi, Advani and Vajpayee. The inclusion of RSS ideologies like Govind Acharya in the National Executive is a conscious attempt to ensure that experienced leaders closely supervised the party's base and kept lumpen elements out.

While Ram is evidently the more visible and volatile part of the two-part BJP strategy, the roti part stresses that the economic plank is as crucial as the cultural or political aspects. "Our economic resolution calls for a new model of development to replace the Nehru model," says Joshi. "The party's resolution seeks to place constitutional restraints on the government's borrowing and spending powers, which have been abused over the years and which are responsible for inflation, indebtedness and low productivity."

BJP insiders expect the revivalist wave to carry them a long way in the next election. A projected increase of 15-20 percent in the party's share of the popular vote is reasonable. But whether the party will be able to provide a new alternative at the Center remains an open question. For the moment at least.

Ready for Elections

91AS0646B *Calcutta SUNDAY* in English
23 Feb 91 pp 12, 13

[Murli Manohar Joshi Interview with Shiraj Sidhva: "We Could Hold for Elections Tomorrow"]

[Text] Sunday: With the recent change in leadership, and the plenary session at Jaipur, has there been a rethinking of your party's policies?

Murli Manohar Joshi: I presume that the question is with reference to the rath yatra and Ayodhya. No, there has been no rethinking or change in the stance of the party. After all, the second phase envisaged the negotiations between the BJP [Bharatiya Janata Party] and the Babri Masjid Action Committee (BMAC). So there was no public agitation or movement because of the dialogue going on. The VHP [Vishwa Hindu Parishad] has announced that we will be holding a demonstration.

Q: What will be the main plank of the BJP's election strategy?

A: Our main plank has been that this country has suffered because of the Nehruvian model, in politics, economics, as well as culture. The Ram rath yatra has been emphasizing the failure of pseudo-secularism, while the call to struggle for "roti" demonstrates the failure of the Nehruvian model in the economic field. And the BJP believes in the "integral man". So we emphasize both these aspects, and we have been saying that any party that does not provide both these things does not cater to the nation in totality. The Nehruvian model has neither been able to give us material benefit nor has it been able to give us nationalistic and spiritual satisfaction. It has, on the contrary, encouraged divisive and fissiparous tendencies, leading even to the rise of secessionist forces. So, pseudo-secularism, nationalism versus communalism, these are the issues which spring from the Ram rath yatra issue. We don't hold that Ram is a Hindu-Muslim question, or that Ram temple is a temple-mosque question. This is the stand of the party. Just because you've gone on a rath yatra, and then you don't plan to do it again, doesn't mean that the party is changing direction. Ayodhya will continue to be a dominant issue.

Q: The rath yatra ensured that nationalism got obscured by strong religious sentiments. Are you going to accept the responsibility for the rise in religious fanaticism, and the actions of the VHP cadres?

A: To the best of my understanding, the BJP and the VHP have both been emphasizing that the Ram question is a nationalistic question, which has nothing to do with any religious group. Because nobody says that you should worship Ram as an incarnation of God and neither the VHP nor the BJP asks for that. What we are saying is that Ram is the embodiment of the finest values of Indian culture, and he is a national hero, and that the (Babri Masjid) structure was a structure of national humiliation and national defeat.

Q: But for you, the temple is clearly a political issue...

A: We consider it a political, cultural and historical case.

Q: If yours is a mass movement, are you ready to face the electorate at this point?

A: We could go in for an election tomorrow, if need be.

Q: You have asked the Congress to join the Chandra Shekhar government since they support it. Are you pressing for an early election?

A: We say either the Congress should join the government or they should not become an impediment in holding the elections. The President has agreed to the Congress suggestion of not holding the elections, because Congressmen are terribly afraid of facing the electorate.

Q: Are you implying that they are afraid because of the BJP?

A: No, why would we? We will align with the masses.

Q: Do you really feel you would be able to march to Srinagar and hoist a flag at Lal Chowk?

A: Just as Ram is a symbol of nationalism, so also the Kashmir question highlights our desire for national integration. So the physical integration and the geographical integration is important.

Q: Does that entail the Muslim majority living in peace within India or does it mean they have to give up their own identity?

A: This integration means the nation would be integrated only if it shares a common culture and common ethos. My concept of integration would be clear from the fact that I have tried to advocate the idea of a confederation from Bamian (Afghanistan) to Borobudur (Indonesia). This whole land mass shares a common culture.

Q: Are you advocating the Hindu version of the demand for a pan-Islamic state?

A: No, it has nothing to do with that. This area has lived in harmony and peace and mutual cooperation. So the people of this area could cooperate like one big family. If Europe can become one, then why not us?

Q: You advocate a big Hindu family?

A: Yes, in a sense, if Hinduism is interpreted as I see it, as a geo-cultural concept.

Q: Talking specifically on Kashmir...

A: We are opposed to the concept of having Hinduism as a unifying factor for the entire nation but giving a separate political status to Kashmir, for it has promoted divisiveness in the country. All states are integral parts of India, they should have equal status. The only reason why Kashmir got a special status was that it was a Muslim-majority area. We object to the concept—there is neither a Hindu majority nor a Muslim minority.

Q: Surely, your main concern is to restore normalcy in Kashmir. The abrogation of Article 370 would only cause more problems.

A: Unless you abrogate Article 370, you cannot extend India's Constitution (to that area). You can't even punish them for burning the flag.

Q: What would be the fall-out of such a move?

A: Nothing. People will become aware that there are certain elements in the country who are trying to secede and that we should unite to fight such tendencies. The country would also realize that the pseudo-secularistic policies which were followed by successive governments resulted in utter chaos. There are no soft options left in the Kashmir Valley. The lessons of 43 years should teach us that appeasement doesn't take you anywhere.

Government Flaws Blamed on 'Unscrupulous' Politicians

91AS0608C Bangalore DECCAN HERALD in English
18 Feb 91 p 8

[Article by Nikhil Chakravarty: "The Government Has Lost All Credibility: A Mockery of Democracy"]

[Text] It is a messy situation. Barely a week before the Parliament session—the most important of all the sessions since this is scheduled to be the long-drawn-out budget session—we have a Government in the office which does not seem to mind having been divested of all credibility.

There have been weak, even fragile Governments at the Centre in the past, but not one which is hardly concerned about its own image.

When Mr. Chandra Shekhar was sworn in as Prime Minister on November 10, he came saddled with a handicap. He had just broken away from the then ruling party and plaintively sought the help of the party which was not only the one in the Opposition but the one which Mr. Chandra Shekhar himself had fought in the general election 11 months ago.

Adversary

No radical, earth-shaking developments had taken place since then by which we could make a convincing case that he could join the bandwagon of the party whom he had painted as his adversary before the electorate. As was known then and subsequently, Mr. Shekhar had to break away from the Janata Dal as he wanted to be the Prime Minister, and nothing but the Prime Minister.

Mr. Shekhar can never be accused of being a political dim-wit. So, he perfectly knew the implications of a quickly-formed entente with the Congress(I). It was expected that there would be co-ordination and mutual understanding in the matter of policies and approach to problems, since the two together would be responsible before Parliament for this very reason for the Government's existence.

One could very well understand that there was possibly no interference from the Congress(I) in the matter of Mr. Shekhar choosing his Cabinet—though there were a couple of notorious characters in it about whom any party concerned about decency in political life could have legitimately raised an objection.

The inner tensions within this alliance is now more or less an open secret. The tensions started because of the fact that there has been from the beginning an undercurrent of distrust, at least of uncertainty between the two. Mr. Shekhar is considered by many Congressmen as having been an old Congress hand and therefore could penetrate deep into the Congress circles and thereby might endanger Mr. Rajiv Gandhi's position of primacy within the Congress(I).

It is known that when Mr. Shekhar was sworn in as Prime Minister, he had asked Rajiv that even if a coalition of the two parties was not feasible, some Congress MPs [Members of Parliament] could be permitted to join his Government as the newly-formed Janata Dal(S) has a scarcity of experienced hands suitable for ministerial responsibility. This was politely turned down by Rajiv.

It was, however, known at the time that there was a perceptible strand of opinion within the Congress(I) which felt that an outright coalition with the Chandra Shekhar group would be preferable to the artificial arrangement of the big brother backing the younger brother from outside to run the Government.

In a short time, the new alliance threw up new problems. The facile expectation that Mr. Chandra Shekhar would just be a puppet with Rajiv pulling the strings did not come true. As a seasoned politician with a long association with the Congress—longer than Mr. V. P. Singh's or Mr. Gandhi's—Mr. Chandra Shekhar naturally could establish a rapport with many in that party.

Speculation

Inevitably, much speculation flourished on that count. The most persistent was the one that an axis was about to be formed between Mr. Shekhar and Mr. Sharad Pawar round which a new alignment of political forces would take place that would marginalise Rajiv and ensure for Mr. Shekhar a long innings as Prime Minister. In Rajiv's inner circle, there are quite a few busybodies who see ghosts all around and so a campaign against Mr. Pawar was mounted to the point that a veritable ministerial crisis was about to break out in Maharashtra, one of the three major States still under Congress(I) rule. Good sense, however, prevailed at the very last moment and a disaster for the Congress was averted.

However, new forms of tension surfaced between the present Government and its main prop, the Congress(I). A feeling started creeping in that Mr. Shekhar on his own was building up an independent political base which might reinforce his durability. Mr. Shekhar's overtures to the militants in Punjab, as also to those in Jammu and Kashmir, raised hackles in the Congress camp. Public disapproval of the Government's move was voiced by senior Congressmen and Rajiv's communication to the Prime Minister on the Punjab issue publicised.

Refuelling

Then followed the disclosure about the Government having permitted refuelling of United States Air Force planes at Indian airports. The Congress(I) campaign against it has turned out to be certainly popular and has got a response from all other parties, barring the BJP [Bharatiya Janata Party].

Those in the Rajiv camp who have a soft corner for Mr. Shekhar sought to soften the blow by laying it thick that it was Mr. Singh who had permitted overflights by USAF planes and Mr. Shekhar's lapse was that he did not correct the mistake originally committed by the arch-villain, Mr. V. P. Singh.

This, in turn, led to the embarrassing disclosure that such facilities as overflight for the U.S. Air Force and port of call for the U.S. Navy had been granted by the Rajiv Government much earlier.

However, the more sober in the Congress(I) conceded that the situation had qualitatively changed with the actual outbreak of belligerency on January 17 in which India is not a party. Then followed Rajiv's public statement questioning the Government's Gulf policy as a whole. Even the question of the Government's stand in the NAM [Nonaligned Movement] has come in for public criticism by Mr. Gandhi. In other words, the Congress(I) has come to assume the role of a critic, instead of the court of wards for a minor inheriting the zamindary.

Patently, there is an anomaly in this situation. The Congress(I) finding itself at a disadvantage, backing a Government over which it has no control, now wants to play the role of an Opposition party. At the same time, the Congress(I) is still inhibited by the fear that it would not like to face a general election in the near future. And the only way to avert the prospect of a general election would be to keep Mr. Shekhar's team to run the Government.

The upshot of it all is that a Government is wielding power, which has not only no legitimacy by the normal code of parliamentary democracy as it commands no majority support for some of the major issues facing the nation, but the party which is propping it up wants to prevent a general election for fear of faring worse than before at any poll, just now.

What is amazing is that such a Government has displaced two duly-elected State governments and foisted President's rule on them without making a convincing case for such arbitrary measures, leaving one with the only conclusion that those are being run by parties opposed to the Chandra Shekhar-Congress entente were disposed of.

No Stability

A sordid state of affairs with the capital of India thick with rumours of imminent change of Government. Whatever permutations and combinations are made for

getting the President's assent for forming a Government, there can be no stability whatsoever, nor would the paralysis in the administration be removed, unless and until there is a direct reference to the electorate through the process of a fresh general election.

Should the nation be held to ransom just because the Congress(I) leadership is scared of facing the electorate while Mr. Chandra Shekhar's coterie is desperately taking to quick-buck politics?

Unscrupulous politicians are making a mockery of our democracy.

Press Council Guidelines on Communal Reporting

91AS0673A Bombay *THE TIMES OF INDIA*
in English 4 Feb 91 p 7

[Text] New Delhi, 3 February: The Press Council has issued a set of 12 guidelines for the press as well as the government to be followed to check communal articles in the newspapers.

These are: the state governments should take upon themselves the responsibility of keeping a close watch on communal writings that might spark off tension, destruction and death, and bring them to the notice of the council.

The government may have occasion to take action against erring papers or editors but it must do so within the bounds of law. If newsmen are arrested or search and seizure operations become necessary, it would be a healthy convention if such developments could be reported to the Council within 24 to 48 hours followed by a detailed note within a week.

Under no circumstances must the authorities resort to vindictive measures like a cut in advertisements, cancellation of accreditation, reduction in newsprint quota and other facilities.

Provocative and sensational headlines should be avoided.

Headings must reflect and justify the matter printed under them.

Figures and casualties given in headlines should be preferably on the lower side, in case of doubt about their exactness and where numbers reported by various sources differ widely.

Headings containing allegations made in statements should either identify the person/body making the allegation or, at least, should carry quotation marks.

News reports should be devoid of comments and value judgments.

Presentation of news should not be motivated or guided by partisan feelings nor should it appear to be so.

Language employed in writing the news should be temperate and such as may foster feelings of amity among communities and groups.

Corrections should be promptly published with due proximity and regrets expressed in serious cases.

Papers Report Forward Bloc Party Congress

Opening Day Activities

91AS06824 Madras *THE HINDU* in English
11 Feb 91 p 9

[Text] New Delhi, Feb. 10—The 12th party congress of the All India Forward Bloc began its four-day session here today with a sharp attack on the Central Government's policies especially its decision to allow refuelling facilities to U.S. warplanes.

Unlike its other Left allies, it demanded immediate elections claiming that the outcome this time would be an absolute majority for the Left-National Front alliances in the Lok Sabha.

The Forward Bloc chairman, Mr. P.D. Paliwal, in his inaugural address, said the Government's decision on refuelling had "tarnished" India's image as a non-aligned country and amounted to "openly siding with U.S. imperialists." "I find no language strong enough to condemn it," he said. He described India's stand on the Gulf war in general as "shameful" and pointed out that significantly it had not condemned American aggression against Iraq.

Mr. Paliwal said while his party was for immediate withdrawal of Iraq from Kuwait, it also opposed U.S. action which was a "clear case of aggression and a crime against humanity." The U.S. motive was to control Arab oil and it would be simplistic to believe that it was interested in resolving the Gulf crisis.

He called for a more active role of the United Nations, the Non-aligned Movement and the Arab League and said that a withdrawal of Iraqi troops from Kuwait should be accompanied or followed by Israeli recognition of Palestine, withdrawal of Israeli forces from the occupied territories like Gaza Strip and the Golan Heights and rehabilitation of Arabs in an independent state of Palestine.

Chinese team among delegates: A large number of delegates from different parts of the country are attending the congress which is also playing host to a six-member delegation of the Communist Party of China with which the Forward Bloc has fraternal relations.

Judging from Mr. Paliwal's opening remarks, the Forward Bloc takes a serious view of the domestic political scene, and blames both the erstwhile National Front Government, which it had supported as part of the Left alliance, and the Chandra Shekhar regime for the present mess. Mr. Paliwal described the present Government as an "immoral and minority" set-up which should be despatched and "sooner the better."

CPI-M Criticized

91AS0682B Madras *THE HINDU* in English
11 Feb 91 p 9

[Text] New Delhi, Feb. 10—The Forward Bloc has criticised the CPI(M)'s [Communist Party of India-Marxist] "sectarian attitude" which, it said was coming in the way of Left unity. The criticism, significant in view of the Forward Bloc's association with the CPI(M) not only in West Bengal but also at the national level, is contained in its political and organisational report to the 12th party Congress.

In a full page devoted to Left unity, the document says the "experience in West Bengal, Kerala and Tripura has led us to the conclusion that if the leading party of the Left does not shed its sectarian approach, the Left cannot become the people's movement."

It says the Left Front could get alienated from the masses because of the "domineering and highbrow attitude and style of the ruling party."

Resolutions Reported

91AS0682C Madras *THE HINDU* in English
13 Feb 91 p 4

[Text] New Delhi, Feb. 12—The All-India Forward Bloc would like the Union Government to take some "bold steps" to pave the way for a political settlement of the Punjab problem.

Its general secretary Mr. Chitta Basu, MP [Member of Parliament], told reporters today that the view at the 12th party congress currently being held here was in favour of the Government initiating the process of transferring Chandigarh to Punjab and facilitating suitable territorial adjustments. He described them as the sort of "bold steps" which were needed to create the right climate for tackling the situation in Punjab.

He said the Prime Minister, Mr. Chandra Shekhar's offer of talks to the militants had sent wrong signals and further encouraged the secessionist elements. The Akali leader, Mr. Simarjan Singh Mann, had not changed his stand on the militants' demand for a Khalistan and the situation in the State had worsened. His party was firmly opposed to the idea of a theocratic state even if it was conceived within the union of India.

In a resolution adopted today, the party congress expressed concern over the growing secessionist and communal forces and held the successive Congress governments policies responsible for it. Over the years, the Congress had "encouraged" these forces for petty party interests, it said. The resolution stressed that mere police action would not solve the problem, and a political initiative was needed. The party was opposed to the proposed march of the BJP [Bharatiya Janata Party] to the Srinagar valley in June to hoist the national flag.

By another resolution, the party suggested a confederation between India, Pakistan and Bangladesh. It said that

the confederation could have common jurisdiction over three subjects—foreign affairs, defence, currency, communication and planning. For all other purposes, the constituents of the confederation would continue to be sovereign independent states.

A general body, comprising equal number of representatives from the three countries, could be set up to co-ordinate common affairs. Such a confederation, it felt, would go a long way in bringing the three countries together.

The congress also adopted resolutions demanding a fresh inquiry into Subhas Chandra Bose's disappearance, and renaming the Calcutta airport after Bose.

Commentary Views Pre-Midterm Poll JD Maneuvers

91AS0643C Bangalore *DECCAN HERALD* in English
19 Feb 91 p 8

[Article by V. N. Subba Rao]

[Text] While one has to wait for Mr Bangarappa's next moves to know how he proposes to consolidate his position vis-a-vis the long-delayed Cabinet expansion and the challenges which await him in the ensuing Legislature session, it seems that a good look at what is happening in the opposite camp is warranted under the circumstances.

Mr V.P. Singh descended suddenly on Bangalore the other day and held a significant powwow with Mr Ramakrishna Hegde and Mr S.R. Bommai.

Intriguing

Knowing the recently soured equations between the three of them, one feels intrigued as to what might have taken place between them and why Mr Singh found himself compelled to make this unscheduled visit to Bangalore.

It is apparent from all these feverish movements that a mid-term poll to the Lok Sabha is imminent and the Dal, which fancies its return to power, is doing a lot of fence mending to be able to face the polls with confidence.

The significance of the meeting between the three leaders of the party might go beyond the confines of Karnataka, though the immediate signals its sends might confine themselves only to this State. The meeting comes in the wake of several developments which may not have much to do with each other directly, but could still be linked indirectly.

For instance, Mr Singh has resorted to new gimmicks of populism in what looks like a desperate bid to widen the circumference of his own halo as the new Messiah and has taken a leaf or two from his former mentor, Mrs Indira Gandhi, in such a massive image-building exercise.

The V.P. Singh who has emerged from Puri is a rather strange combination of Mrs. Gandhi, Kamaraj, Lal Bahadur Shastri and the self same Raja himself. His appallingly simplistic formulae, enunciated at the Puri convention and lapped up avidly by the easily-pleased, seems to have taken even the other party seniors by surprise, though they might also acquiesce in Mr Singh's antics simply because they have the virtue of fetching the much-needed votes for the party. It is clear that Mr Singh is asserting himself more stridently as the boss of his outfit at a time when he has emerged as the party's only talisman.

The Raja is now facing a revolt from a section of his own party and has stopped prevaricating on what is happening on the home front. He has now openly talked of "some people going from and some people coming into" the party, more than hinting at large-scale realignments on the eve of the mid-term poll.

It has, therefore, to be understood why he is trying to get on to the right side of the people whom he has chosen to ignore all along for the sake of his own image. Mr Ramakrishna Hegde, not surprising, is quite high on this list, particularly because he hails from the same State to which Mr Singh's favourite, party chief Mr S.R. Bommai, also belongs. Mr Singh cannot afford to see both these high-power leaders at loggerheads any longer.

In the meantime, some developments which have occurred of late should do some good to Mr Hegde's bruised conscience. The High Court verdict on the controversial Revajeetu deal has cleared him, and his son, Mr Bharat Hegde, has been cleared by a local court in Kodagu, in the MD [expansion not given] seat case.

The two legal judgments run directly counter to the political perceptions of the two major controversies which have done considerable damage to Mr Hegde's painstakingly cultivated image, but despite all the fragility of legal pronouncements these days, they still enjoy a greater validity over political judgments, and to that extent Mr Hegde has come on top.

Rehabilitated

Also, he has suddenly been rehabilitated in his own party, with Mr Bommai entrusting to him the tell-tale responsibility of heading an important organisational committee.

He also finds himself in the Political Affairs Committee and the National Executive of the party and all this makes him a person to reckon with in national level Opposition politics. The Bangalore meeting between the three leaders only completes the pattern. Not that any miracles have flowed out of the meeting; at least there is no evidence to that effect just yet.

It is possible that even while bringing Mr Hegde back into national reckoning, the V.P. Singh-S.R. Bommai combination has also assigned definite role both to Mr Hegde and Mr Bommai, with Mr Hegde earmarked for a positive role in Karnataka.

It is now evident that the Janata Dal will go to the mid-term poll with Mr Hegde himself at the helm.

It is also true that the erstwhile Jan Morcha group, which is now sulking in the wings in his party, is the group which has stalled his progress in the party all along. If the group walks out of the party on the eve of the mid-term poll, then Mr Hegde cannot be wished away in the national context also.

But this will at best be pyrrhic victory for him, since he seems to be under no illusion any more to extend his frontiers beyond Karnataka, where he has now a specific role to play.

Best Bet

Another fact of the matter is that the present Janata Dal set-up in the State is hardly in a position to deliver the goods either because of the jejunuity of one section of the leadership or the crisis of loyalty of the other. Mr Hegde might have lost a good part of his original sheen in the last couple of years, but it looks as if he will be his party's best bet at the hustings.

The long-speculated nexus between Mr Hegde and Mr Deve Gowda also seems to be on the way to materialisation, with the impending political changes in the country lending this possibility a touch of inevitability. The Chandra Shekhar Government seems to have started drawing its last breath and the backers of the present prime minister might have to chart their own courses pretty soon. And this would automatically include Mr Deve Gowda.

It does not seem to be without significance that Mr Deve Gowda has gone quiet over the past few days, particularly after the Devasthali convention. But, deep inside, he seems to be keeping all his options open and the only option which might click in the end is the option he has himself advocated quite energetically all along—the option of joining hands with Mr Hegde. Mr Gowda has always seen this as an inevitable eventuality which could be the only effective weapon against the Congress(I) in Karnataka.

So far the stumbling block in this process has been Dr Subramaniam Swamy, but a parting of ways between Dr Swamy and Mr Deve Gowda cannot also be put outside the pale of impossibility anymore. The perceptions have already differed on the issue of the merger of the Janata Dal(S) and the Janata Party and Dr Swamy has made no bones about the ultimate landing ground of the Janata Dal(S), which is the Congress(I). But this is a prospect which is not at all to Mr Gowda's taste.

With the Shekhar dispensation sure to end before long, it is a matter of speculation whether Dr Swamy will continue to play ball with Mr Shekhar or land in the lap of the Congress(I), unless, of course, Mr Shekhar decides to continue the Janata Dal(S) as a political outfit and opt for electoral adjustments with the Congress(I), with Mr

Mulayam Singh Yadav, Mr Chimanbhai Patel and others, despite the Congress(I) pulling the rug from under his feet as of now.

Either way, Dr Swamy will be conveniently out of the Deve Gowda orbit, and Mr Hegde would like nothing better than that.

It is too early to say whether the projected Hegde-Deve Gowda combination would work out all the miracles expected from it at the polls. One's perception of the prospects of such a combination would also depend to a large extent on one's perception of the two individuals themselves. Both of them have their own strengths and weaknesses. Mr Hegde has still retained a part of his charisma with the rural folk, cutting across caste and communal considerations, and Mr Deve Gowda is still the most influential Vokkaliga leader. But both of them have serious problems concerning their political images.

CM's [Chief Minister] Position

If and when this happens, Mr Bangarappa will have to reorder his own political strategy on election eve, since his own durably in office would also seem to depend quite heavily on his party's performance in the Lok Sabha polls.

In a manner of speaking, he has to take on the combined might of the Lingayats as represented by a recalcitrant in-house opponent like Mr Veerendra Patil and, of course, the Janata Dal President, Mr S.R. Bommai, and that of the Hegde, Deve Gowda combination with all its implications on the Vokkaliga voters, and also the new-found backward class support base created by Mr V.P. Singh. That makes it a very interesting prospect, which should have a wide-ranging impact on the political scenario of Karnataka.

And all this is not needlessly futuristic, but seem to be at our doorsteps. The Bangalore conclave of the three Dal leaders gets its own significance enhanced against such a background.

Commentary Forecasts Early General Elections

911S0643E Bangalore DECCAN HERALD in English
19 Feb 91 p 9

[Article by G.G. Krishnan]

[Text] New Delhi, 18 February—The Congress(I), after making several attempts to come back to power without facing another general election, now seems to be veering around to that eventuality since the Janata Dal (Socialist) is firm about recommending to President R. Venkataraman to call for polls should the government fall in the next few days.

Political parties seem to be preparing for early elections—perhaps in April—and reconciling to the possibility of elections to some States as well. At the same time, efforts are on to cement relations between the Congress(I) and the ruling Janata Dal(S). It would not be surprising if they fight the elections jointly.

It is also becoming clear that the government may not present a budget, and instead go in for a vote on account during the forthcoming session of Parliament, which starts on Thursday.

Congress(I) Chief Rajiv Gandhi sounded yet another warning yesterday when he said that he may have to part company with the government, which his party supports, should the budget levy taxes and push up prices.

Refuelling Issue: The threat is one of the increasingly frequent reminders to the government about its shakiness. The refuelling issue was one out of which the Congress(I) made much capital—to the extent of using an ultimatum that the party MPs [Members of Parliament] would find it difficult to support the government on a no-confidence issue in the House.

The prime minister said in Bihar yesterday that the government had stopped providing fuel to U.S. transport planes but apparently seems to have changed his stand today when agencies reported that there was some confusion over his remarks and that he seemed to give the impression that he had been misquoted. The refuelling, however, continued unabated.

Janata Dal spokesman Jaipal Reddy said that the prime minister was guilty of not only hijacking the country's time-tested policy but also misleading the country on basic facts.

Budget: Another major difference that has erupted between the Congress(I) and the government is over the budget. The former is said to favour a vote on account instead of a regular budget, which will be presented on 28 February.

Congress(I) leaders say that the budget may be harsh on the people and will affect Congress(I) chances in the elections. In fact, Mr Gandhi himself cautioned the government against presenting an "anti-people" budget and said he may not be able to predict how he would react.

Political parties are worried over the apparent Congress(I) involvement in budget formulations—the BJP [Bharatiya Janata Party] Parliamentary Party and the Janata Dal criticised the attempt and said budget proposals were confidential and violative of the oath of secrecy of office.

The Congress(I) feels that the vote on account will also favour the party in the Tamil Nadu elections, which may precede the general elections. The Chief Election Commissioner today held talks with the electoral officers in Tamil Nadu and said elections can be held as soon as the State Government gives the green signal.

The stiff terms laid down by the IMF as part of its approval for the loan will necessarily colour the budget and differences of opinion have already cropped up between Finance Minister Yashwant Sinha and Deputy Prime Minister Devi Lal over subsidies for farmers.

MPs Meet: Differences have also surfaced on other issues. Party MP Chand Ram today exploded a bomb when he said some six to eight Janata Dal(S) MPs met separately today and decided that they may have to vote against their government if the budget was "anti-people." Mr Chand Ram did not explain where or which MPs met.

He criticised the government for allowing U.S. planes to take fuel in India and said the government had not been able to contain the rise in prices. It is not clear if Mr Chand Ram and his colleagues will hop over to the Congress(I)—attempts have certainly been made to rope in Janata Dal and Janata Dal(S) MPs into the Congress(I) fold, but with little or no success so far.

Even though Congress(I) MPs say the calculations of the high command seem to have gone wrong, Mr Rajiv Gandhi continues to be optimistic about being able to come back to power.

President's Role: The role of the president has also come in for criticism, with the National Front and the Left alleging that any attempt to set up a Congress(I)-led Government will be a fraud for which Rashtrapati Bhavan will have to be blamed.

While Congress(S) MP K.P. Unnikrishnan says that the Opposition might even have to consider impeaching the president, others say that the president is now not pitching in for a stable government and the need to avoid elections. The Janata Dal says an "insidious attempt" is being made to involve the president in inter-party politics.

The prime minister too is aware of the pressures from the Congress(I) and has repeatedly made it clear that should his government fall, he will recommend elections. He has reportedly asked the government machinery to get ready for elections since all other avenues have been explored.

As a Janata Dal wag said: "The government's days are numbered and the assets of the 100-days old government are on discount sale."

PAKISTAN

U.S. Said To Place Country in 'Unfavorable Nation Category'

91AS0657B Karachi DAWN in English 21 Feb 91 p 14

[Article by Tariq Zaheen]

[Text] Washington, 20 Feb—Despite Pakistan's official status as one of the U.S.-led coalition partners in the Gulf war, the country has been placed by the Bush Administration and the congress in the category of "unfavourable nations with a tendency towards hostility for the United States and its interests."

Prime Minister Nawaz Sharif's recent diplomatic contacts with a number of other coalition members seem to

have played little role for achieving an understanding with the U.S. congressional and administrative circles.

Legislative and administrative sources, contacted by DAWN during the last two weeks, characterised Pakistan as a country "without any depth in its foreign policy on one hand and in a state of confusion at the highest levels on the other."

A Congressional hearing on Pakistan is set for 28 Feb and the sources indicated very "tough" diplomatic and security related withdrawal by the U.S. legislature in an attempt to distance itself from Islamabad.

Pakistan's role as an American ally in the post-war regional strategic set-up is not visible. The committees in the Congress have collected data that in no way could be termed encouraging for Pakistan, the congressional sources indicated.

Congressman Stephen Solarz, who is chairman of the House Subcommittee on Pacific and Asian Affairs, will conduct the hearing on Pakistan later this month. The preliminary reports on the question of U.S.-Pakistan relations, role of Pakistan as the largest U.S. aid recipient after Israel and Egypt, and the effectiveness of political leadership in that country are depressing, the sources maintained.

There are indications that the situation could get even worse in terms of an expected action by the United States to permanently hold back the aid funds in the pipeline. One of the Congressional sources said: "There is a zero percent chance for Pakistan to get anything out of the Congress unless it does what the country is expected to do as a U.S. ally especially in the wake of Gulf war."

Khan Stresses 'Nuclear Technology at All Costs'

91AS0657E Karachi DAWN in English 21 Feb 91 p 6

[Text] Lahore, 20 Feb (AFP)—Pakistan is determined to acquire nuclear technology for peaceful purposes even without foreign aid. The refusal of aid to Pakistan would not deter it from pursuing its goal.

This was stated by Mr Munir Ahmad Khan, Chairman, Pakistan Atomic Energy Commission [PAEC], while delivering a lecture on Pakistan's nuclear programme and policy, organised by Pakistan Institute of National Affairs, here.

He, however, said Pakistan did not possess nuclear weapons nor did it intend to manufacture one.

The function was presided over by Punjab Governor Mohammad Azhar and attended by scientists and scholars.

Tracing the background of Pakistan's quest in the nuclear field from 1972, when a comprehensive programme for acquiring nuclear energy for peaceful purposes and economic development was formulated, he said that the nuclear policy for peaceful purposes enjoyed the full backing of the people of Pakistan. This

programme suffered a serious setback right in the beginning when in 1976 American Secretary of State Henry Kissinger warned that the United States would make a horrible example out of Pakistan if it did not desist from pursuing its nuclear programme. As a result of the American pressure, he said, French Government cancelled the deal for selling nuclear reprocessing plant to Pakistan despite it being an international agreement.

He said PAEC, however, continued its strenuous efforts and produced the first 'yellow cake' from the indigenous uranium rocks. He said PAEC was able to make the first 'fuel bundle' used in N-reactors in 1978. He said when Pakistan fabricated the first N-fuel bundle, no developed country was ready to testify it even at a high cost. He said Pakistani scientists, however, fabricated fuel bundle with such a precision that none had so far failed, though thousands had so far been used at Kannupp in Karachi.

The PAEC Chairman said that the only way to tackle the proliferation problem in South Asia was through a regional approach instead of singling out Pakistan.

Pakistan, he said, had been advocating for the establishment of a nuclear free zone in South Asia for the last 18 years and had made a number of other proposals to strengthen the non-proliferation treaty for the region in order to forestall a nuclear arms race.

He regretted that India had not so far responded positively to Pakistan proposals. He said it was good that recently there was realisation on the part of the United States that the nuclear proliferation issue in South Asia demanded a regional approach. He said Pakistan would support any action to find a regional solution to the nuclear issue.

Referring to the suspension of U.S. aid under the pretext of Pakistan going nuclear the PAEC Chairman regretted the U.S. administration's decision and said it was totally unjustified even under the Pressler Amendment. "If the U.S. President could certify to the Congress in October 1989 that Islamabad did not have a nuclear device then there should have been no difficulty in doing the same in October 1990 as nothing had changed in the status of our nuclear programme," he asserted.

Mr Munir Ahmad Khan reiterated that Pakistan would never compromise on its peaceful nuclear programme which had already brought immense economic, technological, industrial and agricultural benefits to the nation.

Recounting the PAEC achievements, he said despite embargoes on spare parts and nuclear materials Pakistan had already generated over five billion kilowatt hours of electricity from Kannupp, developed 13 new varieties of cotton, wheat, rice and mungbean through nuclear techniques. These new varieties, he said, were adding over 30 million to the national economy each year and only Niab-78, a new variety of cotton, had ushered in a cotton revolution in the country and given impetus to local textile industry.

Similarly, at its nine nuclear medical centres, the Pakistan Atomic Energy Commission was handling more than 1,63,000 patients every year by provision of cancer treatment and diagnostic services.

The local industry had likewise been helped and over 500 quality control specialists trained by the PAEC were employed. He pointed out that the Commission had set up a number of training institutes to satisfy the growing requirements of high quality manpower in nuclear engineering, computer applications, nuclear power plant operations and nuclear medicine. He said hundreds of specialists had been trained by the PAEC so far in these important disciplines at the M.Sc level.

Giving an assessment of Pakistan's current nuclear status, the PAEC Chairman said the country had the largest research and development facilities in the nuclear field in the entire Muslim world and it happened to be the second largest in the whole of the Third World.

He said Pakistan had achieved distinction over the front end of the nuclear fuel cycle and was presently carrying out research in advanced fields like lasers, computers and new materials required for nuclear application. Pakistan, he added, now possessed capability to design and build its own research reactors which was indicated by the replacement of the old reactor at Pinstech by the new one having double production capacity.

The recent agreements reached with France and China for installation of a 950 MW and 300 MW nuclear plants, he said, was an important breakthrough. He said the proposed plants would be built with maximum participation of the PAEC engineers and scientists and local industry which would increase local expertise in the construction and safety of such plants.

Mr Munir Ahmed Khan also cautioned that while dealing with the nuclear issue, utmost restraint and care should be exercised so as not to give ammunition to critics abroad to attack and undermine Pakistan's nuclear programme. "We have suffered a great deal due to discriminatory regulations and embargoes," he remarked adding that "we should learn from India, Israel and South Africa, who seldom played up their nuclear weapons capability and yet continued to receive nuclear cooperation from the advanced countries. He stressed that the world public opinion was very sensitive at present, about nuclear weapons. He said no pretexts should be provided to them to condemn Pakistan's peaceful nuclear programme.

Premier's Package Viewed, Economist Interviewed

91AS06421 Lahore *VIEWPOINT* in English
14 Feb 91 pp 14-15, 35

[Article by Imtiaz Alam: "Nawaz Sharif's Exchange Package"]

[Text] Prime Minister Nawaz Sharif announced on February 7 a package of what he described as "revolutionary changes" in the exchange and payment systems. This

follows the two other packages of industrialisation incentives and denationalisation announced earlier. Next on the agenda is resource mobilisation and tax reorganisation.

The Prime Minister declared: "We have abolished the import licence, allowed foreign companies to trade, removed currency declarations and opened up the financial sector." A jubilant Sartaj Aziz added: "We are just one step short of the Dubai free exchange market," and the Prime Minister said the next step by his Government would be to make the Pakistani rupee freely convertible.

Central Thrust

The central thrust of the package is aimed at waiving controls on foreign exchange. Contrary to the announcements pertaining to an industrial revolution and self-sufficiency, this is an extraordinary step taken by the Sharif Government after our overvalued and fixed exchange rate, which continued for decades in the interest of indigenous industrial growth, was replaced with a 'managed float system' on January 19, 1982. The fixed relation of the dollar with the rupee was changed with an open exchange rate in relation to the basket of currencies of our trading partners, but the dollar continued to remain as intervention currency. Mr. Nawaz Sharif's announcement should be seen in the background of the structural adjustment programme based on certain macro-economic policies recommended by the World Bank and the International Monetary Fund as a part of aid conditionality, accepted by the then Finance Minister Ghulam Ishaq Khan during Gen. Zia's reign.

The three packages announced so far by the Sharif Government are the most radical following the World Bank/IMF diktat to decontrol, deregulate, denationalise, devalue, (of rupee), along with import liberalisation and withdrawal of subsidies. The international donor agencies should be more than satisfied with the decontrol of foreign exchange which was not among their demands. In the false hope of repeating the "miracles" of South Korea, Taiwan and Hong Kong or to become an alternate Dubai, the country's first industrialist Prime Minister has been constrained to go that far by the ever-increasing resource constraints, scarcity of foreign exchange and the imperatives of black-money.

In the backdrop of the poorest rate of savings of eight percent, an ever expanding trade deficit and a budget deficit rising to 7.3 percent of the GDP [gross domestic product] (overall deficit of Rs. [rupees]61.9 billion) due to the increase of Rs. 9.7 billion in defence expenditure, the rise in debt servicing by Rs. 9 billion in the last fiscal year, and diminishing terms of trade, the Prime Minister has, paradoxically, resorted to the last desperate act of opening up the financial sector.

The scope and significance of this package can be evaluated in the following terms:

1) Opening up the financial sector:

(a) the Government will issue dollar bearer certificates on the pattern of the Foreign Exchange Bearer Certificate to be denominated in dollars including profits payable in dollars;

(b) there will not be any restriction on keeping, bringing or taking out of foreign currency by a foreigner or Pakistani and no prior approval will be needed to withdraw or take out foreign exchange;

(c) purchase of shares against foreign currencies in the existing companies and the transfer of profits without prior approval;

(d) formal rate of interest and repayment time limit will not require advance settlement.

Such measures, no doubt, will attract some foreign exchange from overseas Pakistanis—estimated to be approximately \$3 billion—the local business community may now find it easy to keep their foreign exchange in banks in Pakistan and perhaps black-money holders may be tempted to whiten some of their foreign exchange as they have been provided immunity from revealing the source of their money. But official hopes may not materialise due to other more fundamental economic imperatives, and foreign exchange, black or white, can go out of the country legally.

2) Deregulation measures:

(a) Henceforth, advance approval for foreign loans and foreign exchange borrowing will not be required. The only condition in this regard will be that the repayment schedule will involve five or more years;

(b) there will be no need for prior approval from the State Bank of Pakistan for issuance and advancement of share certificates in respect of foreign investment;

(c) no prior approval for transfer of local shares to foreign investors; (d) foreign banks will now be able to advance underwriting for 30 percent shares;

(e) the rate of profit on foreign currency deposits will be determined by the SBP [State Bank of Pakistan] and not by the Government;

(f) foreign companies permitted to undertake export of articles on the free import list will not need licences for import from the Controller of Imports and Exports;

(g) prior sanction in respect of underweightage and other claims stands waived.

Deregulation

The deregulation measures are quite useful in so far as they seek to remove certain unnecessary bureaucratic impediments in the way of investment. Together with the decontrolling of foreign exchange transactions, these will pave the way for further import liberalisation, but may also lead to usurpation of the domestic market by foreign firms. Moreover the role played by the SBP in managing the domestic financial market and foreign banks since the mid-50s is going to be undermined in

certain respects. The 'hundi' business will be replaced by the foreign exchange agencies being formed to facilitate remittances.

3) Incentives for investment: Nine incentives have been offered relating to foreign loans, working capital, fixed investment, issuance of funds and profits, approval of private foreign investment, capital issue, foreign portfolio investment etc.

(a) There will be no limit for loans offered to companies which export 50 percent or more of their production;

(b) foreign companies producing for the domestic market will be entitled to local loans in proportion to their working capital;

(c) foreign firms won't require approval of the SBP for loans on fixed investment;

(d) foreign investment need not acquire approval for banking, insurance business, airlines and shipping and advances involved can now be extended through any bank dealing in foreign exchange;

(e) capital issue will not be mandatory for industries free from the control list;

(f) Pakistanis maintaining foreign currency accounts will be entitled to loans in rupees;

(g) no limit on making payments for membership fees of foreign concerns; and

(h) there shall be no limit for putting out advertisements in the foreign Press of Pakistani products. But the most pivotal incentive has been provided to any kind of money amassed through whatever means: any Pakistani can maintain a foreign currency account without any declaration or accountability and will be free to keep, withdraw or take out his foreign exchange without any restriction.

This part of the package does provide an attraction to foreign investors especially in the tertiary sectors. It will enhance the role of foreign firms and Pakistani firms interested in foreign ventures or joint undertakings. Although these measures have removed many hurdles for foreign investment, but without an adequate physical and human infrastructure and in the presence of other constraints on the part of foreign capital, no significant investment will take place. These concessions and privileges are going to increase borrowings from banks. The corporate sector, which contributes a dismal three percent of total savings, along with the foreign firms, will increase the burden of borrowing from banks and the role of savings of the corporate sector will dwindle. The role of State corporations in trade will also be eliminated as a result of this package.

The package also includes some new concessions regarding education abroad. It has withdrawn the limit

on examination fees, and undergraduate education facility will no longer be confined to certain subjects or institutions.

Resource Mobilisation

A Resource Mobilization Committee has been set up to recommend a new tax system. While landlords will continue to enjoy untaxed incomes, the committee will devise a tax system in which income assessment won't be necessary and it will be based on the production capacity regarding excise duties and a self-assessment system for levying of custom duties. In Pakistan where the ratio of direct taxes is 13.4 percent in comparison to indirect taxes of 86.6 percent (1988-89), this new package is predictably going to further burden the poor masses. Given the bias of the term of reference of this committee in favour of the richer sections of society, it is expected that resource mobilization will be worked out by relying on the variety of indirect taxes.

Generally, this short-sighted liberalisation of the Nawaz Sharif Government is designed more to please international donor agencies rather than take us closer to the promised industrial revolution. In Pakistan industrial growth had taken place under protectionist measures and a multitude of tariffs along with an import substitution industrialisation strategy, while the new package envisages growth and investment on international prices and parameters. The result will be a decline in indigenous industrial growth and the GDP in the absence of fixed capital foreign investment and only tertiary sectors will benefit at the expense of the domestic manufacturing sector. The peripheral Pakistani economy would not be able to withstand the competition from foreign competitors and even important trading branches may be taken over by foreign trading firms. With enhanced import liberalisation, the trade deficit and balance of payment crisis will be further deepened. Consequently, Pakistan appears destined to remain an agricultural country under the imperatives of "comparative advantage," based on an unjust world economic order.

Professor Sajjad Hyder is an economist and economic adviser to the Lahore Chamber of Commerce and Industry. In an interview with VIEWPOINT he supported the package of exchange and payment system reforms as the logical outcome of the managed float system of exchange rate introduced in 1982. Excerpts from the interview:

VIEWPOINT: How do you evaluate the incentives offered by the package of exchange and payment reforms by the Prime Minister?

Prof. Sajjad Hyder: Ever since the creation of Pakistan, our economy was faced with two gaps:

(a) saving-investment gap and

(b) a supply and demand of foreign exchange gap. In the earlier period, the general tendency was to control the exchange rate and foreign exchange, as they were interlinked. But in 1982, a floating exchange rate was

adopted without abandoning the controls on foreign exchange. It was an inconsistent policy. It had to go, as the floating exchange rate can't go together with exchange control. I think it is a sound decision of the Nawaz Sharif Government to correct an economic folly.

VP: Where would opening up the financial sector lead to?

SH: You can divide the package into two parts in reference to two types of public and private savings: domestic and foreign. As you know, we have been unable to meet the rate of 18 percent of investment of GDP, with a rate of eight percent of domestic savings. Consequently, Government had to resort to borrowings from foreign sources, leading to a foreign debt of \$14 billion. Now, to avoid further indebtedness, the alternative was to give the maximum incentives for foreign investment. In the past we had been discouraging it. The present package is going to encourage foreign investment. It will bring capital along with modern technology. If you get more funds from private firms, then you need not go to the World Bank and the IMF.

VP: But won't it adversely effect the indigenous entrepreneur and the local businessman, as is evident from the experience of the Third World?

SH: When so much investment takes place, it will expand the scale and give a boost to the market which would have a positive effect on domestic investment. Hence, local business can share the bigger cake. In many Third World countries, the performance of foreign capital has been poor. But I think this package is going to accelerate the growth of our domestic economy.

VP: Now, another form of whitener bond in dollars is being introduced. Won't it lead to providing legal cover and foreign exchange facility to black money?

SH: Although black money is amassed by illegal means, all kinds of money after all is money. Black money exists, whether you accept it or not. Half the Pakistani economy is being run by black money. We know every thing about this business, but can't control it. It is necessary that black money be mobilised. In Zia's time, they issued Foreign Exchange Bearer Certificates (FEBC). Its attraction was diminishing due to the devaluation of the rupee. There was room for an improved form of the FEBC. The Dollar Bearer Certificates (DBC), now being introduced, will be denominated in dollars with all the benefits of the FEBC.

VP: Do you agree with Mr. Sartaj Aziz that the liquidity now available in the Gulf and looking for other avenues will come to Pakistan?

SH: It is estimated that about \$3 billion are lying outside the country due to unnecessary controls and impediments. Now, conducive conditions have been created to attract that money to Pakistan, which would replenish our foreign exchange reserves. The flight of capital has been taking place due to the depreciation of the rupee. Now the same people will be able to maintain their

accounts in foreign exchange without any other fears. I think the timing of the package is very good. There is a lot of money in the Gulf. With the restrictions removed, they will find the necessary attraction—the "hundi" business is going to end with the introduction of exchange companies.

VP: How is this package going to effect import liberalisation and our public sector trading corporations?

SH: When you have certain items on the free list, then why have bureaucratic duplications? The involvement of the Controller of Imports and Exports was an unnecessary impediment. Now, international trade will be free of these bottlenecks. Our exports were now levelling off, and the main problem was with marketing. Since, we have allowed foreign companies, we shall be able to utilize their network and improve the quality and increase the quantity of exports. The public sector corporations of the Rice and Cotton—are going to be packed up to give way to the private sector.

Sindh Government Said Instituting False Cases

91AS0657C Karachi DAWN in English 20 Feb 91 p 5

[Text] Karachi, 19 Feb—The President of Pakistan People's Party, Karachi Division, Mr Iqbal Haider has alleged that the Sindh Chief Minister is trying to institute "civil dictatorship" by initiating false cases against PPP [Pakistan People's Party] members and arresting them.

Speaking at a Press conference on Tuesday, he said on the one hand PPP leaders and workers were being picked up from their homes and on the other they were being accused of "moral crimes" by Ministers and other senior government officials.

He claimed that the PPP workers were being tortured in CIA [Crime Investigation Agency] centres and jails and false cases were being instituted against them on account of political differences. Pointing out that while Khawaja Mohammed, Manzoor Wassan, Ghulam Hussain Unnar and Ali Mohammed Hingoro were already in prison, he referred to new arrests made on Monday of Hanif Soldier, Lal Baksh Bhutto and Hakim Baloch.

Mr Haider reminded the Press that four PPP workers had gone on a fast unto death strike over two weeks ago. Amongst the hunger strikers: Shahnawaz Shani, Nisar Satti, Ramzan Danish and Aftab Mansha, the condition of the first two was stated to be critical. Despite this, he alleged that when a meeting was called on this issue at the Peoples Labour Bureau on Monday afternoon, their office was surrounded by police. This, he felt was an attempt to "hijack" the entire organisation at a government level.

Mr Haider said the government should accept the demands of PPP workers who were on hunger strike in jail, stop arresting MPAs [Member of Parliament], release Sindh Assembly members before the Senate elections on 14 March and free all political prisoners.

Memo To Governor

In a related development, two office-bearers of the People's Democratic Alliance [PDA], Aftab Shahban Mirani and Abdullah Shah, have sent a memorandum to the Governor of Sindh alleging that "harassment, intimidation and arrests" of PDA's Provincial Assembly members has started even before the date for filling nomination papers for Senate elections.

The communique has alleged that the Sindh government, headed by Chief Minister, Mr Jam Sadiq, has embarked on a "calculated action" to prevent PDA members from exercising their voting rights in the 14 March Senate elections. It quotes as example that MPA Khawaja Mohammed was picked up from his Karachi residence on 7 Feb 1991 on "fabricated charge" and a false case was instituted against the leader of Opposition in the Sindh Assembly, Syed Qaim Ali Shah.

Giving more details, the PDA leaders have alleged that on Monday night, an MPA from Dadu Haji Mohammad Siddique Shoro was hauled up by Kotri Police. On Tuesday, it has added, three MPAs from Karachi, Mr Abdul Hakim Baloch, Hanif Soldier and Lal Bux Bhutto were arrested from different places. Mr Haji Khan Chachar, an MPA from Sukkur, had also been believed to have been arrested.

Stating that the PDA had already informed the Chief Election Commissioner about this on 11 Feb 1991, the PDA has said it expects "justice and full protection of our legislators from the victimisation and highhandedness" of the present Sindh government.

Population Growth Term 'Demographic Bomb'

91AS0657G Peshawar *THE FRONTIER POST* in English 15 Feb 91 p 10

[Text] The latest census confirms the worst-case scenario that a minority of Pakistani social scientists have been painting about the country's population growth. Sindh, for a change, is now the fastest growing province with a yearly population increase of 17 percent. This could well be the highest rate of growth anywhere in the world. Punjab, Balochistan and the NWFP [North-West Frontier Province] are maintaining their 4-5 percent annual increase, which is already nightmarish enough for the economic planners. The Malthusian backlash, it would seem, is already upon us. While we have heard various Sindhi leaders lament the massive settlement of non-Sindhis in their province, we believe this alone could not have transformed the demographic profile to the extent that is in evidence at the present. The much-talked about reverse wave of people moving out of this province has had no impact on the swollen numbers. The question is, what has caused the Sindh population to shoot up? It is not so much the big cities of this province that have come apart with massive population as the small towns, hundreds of them falling in the rural category. Look at Larkana, Noshero Feroze, etc.

With the rising population come troubles and tensions. Too many people mean unusual pressure on the resources. This is not to downplay the factor that most towns of Sindh have Sindhi population with other ethnic groups wedged right into it. The rest of the country can counter the population bomb by arresting the birth-rate through an effective and well spread-out contraceptive service. But the situation in Sindh warrants specific measures. Discouraging new external settlement will help. Indeed, a solution could be sought through the shifting of industries to the rural side. Ethnic violence, too, can subside with young men finding more employment. Pakistan's economic recovery will remain a dream unless it is able to check its numbers.

Farmer Upholds 'Depoliticising' Agriculture

91AS0642D Lahore *VIEWPOINT* in English 14 Feb 91 pp 32-34

[Article: "Making It in Bahawalpur"]

[Text] "To develop this tract of 150 acres, which now gives better yields than most of our prize agricultural land, I have spent 23 of the best years of my life," says Iqbal Mustafa, with a sense of achievement reflected in his voice.

Mustafa's farm is located on the outskirts of Bahawalpur and lies between two canals, the I-R and the AP Branch. He had returned from England in 1968, after completing his education in automobile and agricultural engineering, and decided to manage and develop his family farm of which only 40 acres were then being cultivated. There was nothing but sand dunes and sandy soil, typical of the Cholistan desert. It had a high percolation rate and the subsoil water was brackish and could not be used for irrigation. There was only a limited supply of canal water.

Iqbal Mustafa worked out a proper ration by mixing canal and subsoil water. And it is nothing less than a marvel that Iqbal Mustafa has achieved—at least in the eyes of a lay person. One is forced to the conclusion that agriculture today, if it has to meet our national requirements, has to be highly innovative. Farming has become a scientific activity. The image of the fatalist, chadar-clad, hukkah-holding farmer has to go. Land reforms have failed to deliver, production from mechanised farming has reached its optimum, and small land holdings are not economically viable. There is a possibility of developing vast tracts of land like Iqbal Mustafa's along modern lines. Let's see how he has done it.

Levelling the Land

In the first phase, for three years he did nothing but level the land and lay it out into a proper shaped and sized field. The farm is laid out in such a manner that it does not interfere with the approach to the road. Water can be fed from one side, and from the other machines can come in. After the levelling, the second phase began with improving the structure of the soil. During that phase, no

summer crops could be grown because the water-holding capacity of the land was low and in the hot months the soil could not hold the water required. Only winter crops like wheat and rape seed were grown.

For two or three years, Mustafa fed the soil with crop residue. Then he went for commercial crops like wheat and sunflower. In 1979 he got the presidential award for the highest wheat yield per acre in the country.

In the late 70s, he switched over to cotton. To increase the water-holding capacity of the soil, he developed methods different from those usually used to plant cotton. He made ridges in the field and planted the cotton on the ridges. The farmer thus saves irrigation water and time and his crop from excessive rain. The crop is on top of the ridges. Rain water drains down into the furrows and prevents the crop from weakening.

In the early 80s, Iqbal Mustafa did some work on equipment to plant sugarcane. He improved the local equipment and methods of sugarcane plantation. The subsoil water under the farm is saline. Tubewells were of no use for him. He uses canal and subsoil water after mixing it in a 1:2 ratio.

Iqbal Mustafa suggests that we should shift our focus from maximising yield per acre to optimising yield per unit of water, because it is water that is limited—1.5 million acre feet—acre not land. He complains that the only effort in this direction had come from US-aid. It helped farmers with skills and material to line water channels and for land levelling. The channel lining was quite successful, but land levelling did not prove practicable because of our farmers' inability to forego a crop. This could be made possible with an adequate market system: a farmer can always recover the loss with extra yields within the next two or three crops. "We waste our limited water resources by sticking to primitive irrigation techniques," says Iqbal Mustafa. "Ours is a feast and famine method. The fields are flooded with water with no control over its application and the requirements of a particular crop."

Water Use

To optimise the use of water on his farm, a couple of years ago Iqbal Mustafa installed a central pivot irrigation system which he is trying to indigenise and which is the only one working in Pakistan. He is also developing his own data base about growth and development of crops. He has set up his own weather station and is also monitoring the efficiency of the new irrigation system as compared with flood irrigation. The maximum efficiency that he could get after lining the water channels was 40 percent. With the new sprinkler system, he has been able to effect a 300 percent water saving.

The new technology is expensive. It costs about Rs.[rupees]12,000 an acre. But it can be economical on marginal lands like this where you also have water available. A farmer does not need to level his farm because the water is sprinkled and the pivots adjust the

sprinklers. Instead of spending money on developing the land a farmer can purchase a pivot and can get a crop six months after installation.

Iqbal Mustafa has brought two new crops to the region, potatoes and ground nuts. Potatoes, he says, are doing very well. Last year when there was a potato crisis in the country, Mustafa had managed to sell all his potatoes simply because of the quality of his product. Now he is trying to work out a rotation between potatoes and ground nuts. On his farm in Bahawalpur, with low fertility and sandy soil, he has managed yields as good as the best farm in Okara and Sahiwal.

The cost of the central pivot system can be reduced by producing certain parts of its operation locally. Iqbal Mustafa complains about the ad-hocism of our planners, which he says is one big problem. They seek to replicate technology without working out its viability. Take the case of sugar mills, Iqbal Mustafa says. The design of the sugar mills that we are manufacturing locally today is American and was patented in the 20s. It has a crushing capacity designed for the huge sugar plantations in the United States where sugarcane growing and extraction are one integrated process carried out at one place by one person. Here we have a totally different situation. The grower is a different party, the miller is a different party. Yields are low, and so instead of 8,000 acres we need 20,000 acres of land with sugarcane to feed a mill. All the farmers around the sugar mill do not grow sugarcane. Its plantation is now scattered over an area of 40 to 50 miles. This involves transporting the crop to the mill. Our roads and transport system are inadequate. To get maximum extraction from the sugarcane, the time between cutting and crushing the cane should not be more than 10 to 12 hours. In our conditions four to six days is normal. By the time the sugarcane reaches the mill a lot of its sugar has been wasted.

Moreover the mills do not give any extra money for sugarcane with a high sugar content and so farmers do not care about the quality of the sugarcane. The mill owners due to distortions in our pricing system too do not have any incentive to increase the recovery of the sugar.

"Our whole sugar industry," Iqbal Mustafa pointed out, "is counterproductive. At other places for instance, in Hawaii and Cuba, 11.5 percent is the minimum. You will be surprised that in Pakistan any sugar mill that exceeds 9 percent is awarded the presidential shield. That is why the price of imported sugar is considerably lower than the indigenous industry."

Then the conversation moved along more general lines:

VIEWPOINT: What is the state of the agricultural sector in Pakistan.

Iqbal Mustafa: Our agricultural sector is still predominantly at the subsistence level of farming. A level that of the pre-industrial age when the serf tilled the land under highly exploitative conditions. The ruler operated

through his intermediaries, the landlords, and exploited the farmer. Only concern of a ruler was to collect revenues.

When the British came they preferred to retain that exploitative system and grafted it into the Indian Civil Service through the Deputy Commissioner and Tehsildar. At the local level agriculture remained at subsistence level of farming. The basic concept of subsistence farming is that land is a resource and it should be distributed among the people so that they can feed themselves beside contributing to the State revenue. The modern concept is that land is a national resource and it should produce food surpluses for the home and the international market.

Then the whole structure of our agriculture, the land ownership, the departments which are supposed to assist and serve the agricultural sector, are organised around subsistence level farming. Since independence we have not made any conscious effort to rationalise the land ownership structure to prepare it towards commercial farming.

VP: There have been efforts in the past to restructure the ownership pattern through land reforms. How do you think it should have been tackled?

IM: The land reforms that we have had were basically politically motivated. There may have been certain other justifications and certain other honest objectives. But strictly speaking, from the point of view of the vocation, those land reforms had a negative effect. What we are stuck with today is not just the big land holdings but also the huge number of our small size holding. I think the ceiling is too arbitrary—50 acre the economic threshold and 12.5 acre the subsistence threshold. These land units mostly get further sub-divided. Mostly these are cultivated on a share basis. Almost 40 percent of the land in the Punjab is under litigation at any one time. How can you conceive of land as a resource when it is basically tied up with these subsistence concepts?

These have their cultural bearings as well. The whole perspective of the farmers, the political parties, the government towards agriculture, instead of being toward commercial production, is rather oriented around political power. In our agricultural system, farming and agricultural production have a secondary place. Owning land means wielding political influence and that is all. Under this kind of a set up, it is difficult produce for the home market leave alone the international market. We have failed because we are not prepared to face the basic infrastructural problems. No-one can say that he knows what the final shape should be, but one thing is certain, that these arbitrary outer and inner limitation on agricultural holdings will have to go.

VP: What do you think of the debate regarding the imposition of agricultural income tax.

IM: The basic problem in Pakistan is not whether agricultural income should be taxed or not. I think if you sit with statistical figures you will very soon find that

agriculture income tax will help very little to solve the basic problem which we are trying to address—to meet our budgetary deficits. If we are serious to meet this problem and want agriculture to contribute more to the exchequer, we will have to view it from a different perspective altogether. The taxation policy in Pakistan is totally inadequate. It is unable to collect the already levied taxes. In principle I believe that the agriculturist should pay tax like anyone else in the country, because the basic principle of the taxation system is that if a person has a certain income, he must pay taxes. Why should agriculturists not pay income tax like trade, industry and the services? Indeed, the agriculturists, instead of shying away from taxes, should be on the offensive and ask the Government to tax agricultural income. This discrimination between agriculture and non-agriculture must come to an end and we should demand that agriculture should be treated as an industry and should be provided the same kind of facilities as provided to trades and industries; because behind the apparent facility (of exemption from taxes) there is a catch. Apparently there is no direct tax on the agriculture, but we pay more tax in the form of indirect taxes. It is not correct to view the problem simply as that of levying taxes.

VP: What do you have in mind—a land tax or income tax?

IM: Any tax, even a straight land tax. The average holding in the Punjab is 5.5 acres. It wouldn't be feasible to tax holdings below 50 acres. This ceiling constitutes covers 20 percent of our land holdings. There are something around 3,500 farmers with holdings above 150 acres. If we tax this selective group the renewal earnings are not going to be substantial. One thing that definitely will be unfair is that we tax agriculture and also retain segregation between the two sectors.

VP: Why is there a reluctance among the agriculturists to pay taxes?

IM: It is partly because of the cognizance of the fact that they will not be able to defend their own rights when it comes to legislation which is adverse to agriculture. The community knows that the bureaucracy and the industrialists have a far stronger lobby. They think that anything imposed on them will be an extra burden and will be done without ensuring their interests.

VP: What you are saying sounds rather strange if one looks at the predominantly "feudal" parliament.

IM: How effective this Parliament really is when it comes to making laws? No important or crucial decision in this country is made in Parliament. Most of these decisions are made by National Economic Co-ordination Council. This procedure totally bypasses the Legislature. The members of Parliament who are there have other axes to grind. The well-being of the farmer or the development of agriculture is the last thing on their minds.

VP: This is unbelievable, with such a strong feudal lobby in Islamabad.

IM: This I must say is an illusion. Those who go to the Parliament do not have any interest in farming. A majority of them are absentee landowners. I have been telling these big landlords that it is not in our interest to resist agricultural income tax. But what they are basically afraid of is the market distortions, the disadvantages, the indirect taxation that is imposed on agriculture—all this will be retained and a new tax on top of that will be imposed. They do not have the confidence that they can sit across the table and convince the bureaucrat and the industrialist that if you are going to impose an income tax on us then you remove these market distortions.

VP: Landlords and bureaucrats too have strong links.

IM: What I am talking about here is basically an economic problem of a practical nature. Very few of these big landlords who sit in the assemblies have any comprehensions of the basic economic issues involved in agriculture. An agriculture tax to many of them is just an additional levy. They don't look at it as a mean to make agriculture an industry and to produce surplus.

VP: There are organisations of the agriculturists.

IM: There are some organisations but there is no room to support agricultural income. What I am suggesting is a strategic move, simply to call the Government's bluff. If it is made properly the bureaucracy and the champion of taxation will run away. They themselves will say that there is no need to tax agriculture. Let us not forget the fact that something between Rs. 65-70 billion are being transferred from the agriculture sector to non-agriculture sector by the Government by skimming off from commodity prices which goes partly into the pocket of the industrialist and partly the Government, if indirect taxation on us is taken into account. On paper there is no duty on the import of agricultural machinery, but if you put the Iqra tax, the sales tax, etc., all together, one ends up paying up to 30 percent. Whereas an industrialist gets straight exemptions, there are tax-free zones for them. We have five or six organisations in the Punjab but they are not effective. None of these is organised at the national level. The one in Sindh is quite strong. The Sindh Chamber of Commerce has its branches right down at the village level. It is composed of predominantly small and medium-sized farmers. They have well documented their problems and come prepared at all the national forums and express their point of view unequivocally. Here in the Punjab there is more than one organisation. The oldest one is the umbrella organisation of the Jamaat-i-Islami. Another is being run by Dost Muhammad Awan from Multan. Malaik Khuda Bukhsh Bucha has formed one. Ch Sultan Ali too has got one. All of these have their head offices in Lahore. All those organisations have a non-professional approach to the problem. There is need for a strong national organisation of the farmers. There are problems because of the intensified factional nature of the rural scene during the election.

There is a need of a farmers' organisation which can mobilise resources and hire professionals to manage its various sections, something like the All-Pakistan Textile Manufacturers Association. This will help the organisation to grow because then "egos" will not be involved.

VP: Do you have unified political organisation of farmers in mind?

IM: On the contrary, what I am basically conceiving here is an organisation which will depoliticise the agricultural sector. That is another very serious problem, that our agriculturists have hurt our politics and it is our politics that has hurt our agriculture. We have to separate agriculture from politics. We have to make our agriculturist a real farmer, an entrepreneur who cultivates to produce more. It will be beneficial both for our agriculture and so for our politics.

Privatization Moves Questioned

91AS06574 Karachi DAWN in English 20 Feb 91 p 11

[Article by Shahid Kardar: "Is the PM Taking a Gamble?"]

[Text] In a surprising, but bold, move the Prime Minister has announced far-reaching measures to open up the foreign exchange area of the economy, leaving the government with two major controls in its hands: the exchange rate and the interest rates payable on foreign currency holdings in Pakistan. The latter will continue to be administered by the State Bank, which, as we all know, is not an independent institution but almost an executive arm of the government.

The critical changes made in government policy regarding foreign private investments, foreign currency loans and foreign currency holdings are as follows:

- a. Foreign loan agreements signed between private parties will not require prior approval of the government for meeting debt-servicing obligations.
- b. Foreign investors exporting 50 percent of their production can now take local currency loans, without limit; they were previously restricted from borrowing rupees in excess of their local equity base.
- c. Only profit remittances of banks, airlines and shipping companies will be bound by specific permissions.
- d. Foreign companies can now export products from and import goods into Pakistan—that is, act as traders.
- e. Foreign banks will be allowed to underwrite up to 30 percent of a capital issue.
- f. Pakistanis, even those resident in Pakistan, can now hold dollar accounts that can be used for all kinds of transactions.
- g. The source of the foreign currency holding will not be the subject of any enquiry by the government.

Before we look at the government's measures and the possibilities of achieving the supposed objectives, it may be instructive to examine the reasons that have prompted the government to come up with these proposals.

Why would a country with foreign exchange reserves barely enough for 2.5 weeks imports, and a huge deficit on its trading account with foreigners, embrace such measures and, seemingly, throw caution to the winds. After all, Pakistan's predicament on the balance of payments front cannot be overemphasised; this is the closest that we have come to going bankrupt. Is it that these measures have been announced in sheer desperation to please the IMF, now that even the Japanese, themselves struggling to settle the invoice sent to them by the United States for services being rendered in the Middle East war, have understandably declined to offer any assistance.

Even before the consequences of the Iraqi invasion of Kuwait began to be felt, the balance of payments was operating on a thin margin. The foreign exchange crisis was slowly, but inexorably, building up. The crisis in the Gulf has merely hastened the day of reckoning. Liberally available aid following the Russian incursion into Afghanistan and the remittances boom had merely succeeded in postponing the inevitable. The increase in the price of oil has accelerated the process of the swelling up of the balance of payments deficit. Perhaps the best illustration of the state of the economy is provided by the two loan agreements amounting to a total of U.S.\$800 million signed by the Government, not with a reputable international financial institution but with an Italian company, European Financial Engineering, based in Sicily (and Mafia connections?).

It would be fair to assume that no international bank was prepared to lend money to a country as heavily indebted, and with a foreign trade account as precariously placed as ours. Only a company with a shady background could possibly be willing to 'engineer' such a deal with a country that other better known institutions were, seemingly, not prepared to touch even with a barge pole. For the government faced with such a situation, there was perhaps just one choice—that moral values should not be allowed to tarnish a sensible economic decision. After all, as the wise old edict reminds us, everything has a price. This is the elementary lesson of a free market economy. While this goes on, the Prime Minister does not tire of assuring us that the country's integrity is not up for sale.

Having examined the nature of the problem confronting the balance of payments, let us proceed to review the measures announced last week.

On the face of it, there is a feeling that as the 'black' market rate for the dollar is just 7.5 percent to 8.5 percent above the official rate, freeing the exchange rate will not have serious repercussions. The problem, however, of doing so is that around U.S.\$400 million worth of Foreign Exchange Bearer Certificates [FEBC] are held

by Pakistanis which could be encashed immediately if the rupee is made officially convertible. There are not enough foreign currency reserves to meet such a liability.

There are fond hopes that Pakistanis holding foreign currency accounts in the Middle East, given the highly uncertain environment there, would prefer bringing the money into Pakistan if they are given the same incentives, security and promise of anonymity.

Also, now that transactions, particularly deposits in excess of U.S.\$10,000 in bank accounts, are subject to careful scrutiny by the European and American governments for possible taint of drug money, the Pakistani administration is guaranteeing protection to heroin dealers, against disclosure of the name of the account holder, or his source of funds. It is inviting them to bring into the country the bulk of their U.S.\$5 billion earnings from 'export' of heroin.

Will those operating in the Middle East and the heroin traffickers respond? This is anybody's guess. Does the Pakistani administration have the kind of credibility that will persuade these 'entrepreneurs' to take up the government's offer, without fear of a backtrack on policy resulting, at a later stage, in government action against them, or that the state will always have adequate funds to meet its liabilities, given the difficult balance of payments position which is unlikely to change to any significant extent in the foreseeable future. It should not also be forgotten that some of this money is already coming into the country in the shape of FEBCs. So, how much additional can be attracted is rather difficult to forecast.

Will foreign investors be lured by these changes is also difficult to predict. The announcement will, however, be well received by them and regarded as a positive step for stimulating foreign interest in investing in Pakistan. But then there are other, at times overriding considerations, that play a crucial role in influencing investment levels, ranging from the internal law and order situation and the political climate, to the availability of skills and infrastructural facilities and services (energy, communications, etc.)—matters on which Pakistan continues to score rather poorly.

One measure that appears to have greater chances of success relates to the permission for foreign companies to get involved in trading operations. This proposal has the potential to increase the volume, and improve the quality, of our exports. These companies with their well-established network are better placed to improve the marketability of our exports.

The profligacy of different regimes is finally catching up with us, requiring painful adjustments. Although the country has always been poor, the state of bankruptcy never reached dimensions that are now forcing the economic managers to plead in such a helpless manner with creditors and potential donors. But the amounts that they can lend can at best save us from the immediate

threat of bankruptcy but will be inadequate to resolve the problem of the large and chronic deficit in the foreign trade accounts.

The country is in the grip of a simmering social and economic storm. The economic crisis that stares the nation in the face is in many ways the outcome of the economic and social problems conveniently ignored in the past by the same set of civil servants and politicians who watched, claiming helplessness, the country's external debt rising to dizzying heights. The ruling elites have tried to sweep the major issues under the carpet. But the carpet is now wearing thin. The problems cannot disappear by simply wishing them away. There are, however, still no signs of the hard decisions to tackle these problems, other than the standard breast-beating to put an end to corruption and the time-tested rhetoric of intentions to put the country on the path of self-reliance.

The sins of the fathers are visited on their children. These children have to pay for the manner in which their fathers disregarded the economy and social repression of the bulk of the population. The economic problems are perhaps less awesome than the social cleavages which are getting deeper with each passing day. Who rules from Islamabad is now of little consequences. What is important is the strategy to repair the damage done to the fabric of society.

Article Probes Retrenchment in Pakistan Steel

91AS0642B Lahore *VIEWPOINT* in English
14 Feb 91 p 16

[Article: "Retrenchment in Pakistan Steel"]

[Text] The Senate Standing Committee on the Ministry of Production has recommended retrenchment of 12,000 workers of Pakistan Steel and said that there should not be any discrimination in terminating the services of surplus staff.

MQM's [Mujahir Qaumi Movement] Islam Nabi, Minister of Production, has been assigned the task of implementing the recommendations.

Despite the Senate Committee's minutes to this effect, the Production Minister described the relevant Press report as baseless. He had to, because he undertook the job not with a view to retrenchment, but to distribute favours among IJI [Islamic Jamhoori Ittehad]-MQM constituents, just as his predecessors had done.

Retrenchment seems to have become necessary as Pakistan Steel has also been reportedly placed on the list of concerns to be disinvested. And no-one, specially those who might have been earmarked for to get the richest plums, will bid for this heavily overstuffed enterprise.

The Senate body's recommendation for retrenchment gives rise to various questions, the most important one being who had employed the superfluous staff in such large numbers. Out of the total strength of 24,000, half are said to be surplus. Who was responsible for damaging

the financial viability of the Mill and thus causing a loss to valuable national assets? Will the IJI Government of Mian Nawaz Sharif and other 'honest' men who have come to power on the slogan of bringing all those who plundered national assets to account fulfil their electoral pledges in respect of those who plundered Pakistan Steel for 13 years?

Zia Period

Construction work on Pakistan Steel had started in 1974 but trial production began later and then, from 1977 to 1988, Gen. Ziaul Haq was in power when Mr. Ghulam Ishaq Khan was his economic manager. In 1985 Ziaul Haq picked up Junejo who shared some powers with him up to 1988. For 18 months of 1989 and 1990, Benazir Bhutto was in charge of the country's political and economic management. During the PPP [Pakistan People's Party] regime, a few hundred Sindhis—who had been grossly discriminated against earlier—were given jobs against which ethnic riots were engineered by the Establishment. The PPP appointees were dismissed immediately after the ouster of the Benazir Government. So from 1977 to 1988, Gen. Zia, Mr. Ghulam Ishaq Khan and their proteges had looked after Pakistan Steel, oblivious of the fact that they were actually crippling the enterprise. At the same time they were adding one more unit to the mismanaged public sector to whip up a bias against the sector.

Had the money that had gone down the drain in losses been invested in new or downstream ventures, it would have provided long-term employment to more than the "Surplus staff" and would have been really productive. But Gen. Zia and Ghulam Ishaq Khan did not have that vision: they were running the Government on an ad-hoc basis.

When the IJI Government was formed, MQM had insisted on having the Ministry of Production as it supposedly offered immense opportunities of providing employment to its Mohajir constituents. The MQM's nominee for the Ministry, Islam Nabi, had come fresh from the USA, where he was working till a few months before the elections. Now he has been entrusted with the task of retrenching half the work force of Pakistan Steel, which consists largely of Mohajirs followed by Punjabis. The Minister, at the same time has been mandated to see that fresh recruitment is restricted to groups which are at present under-represented—which means Balochistan and rural Sindh. It remains to be seen if the retrenchment is actually carried out and if so how the MQM is going to swallow the bitter pill.

Reports suggest that tension is again building up in Pakistan Steel. The mill has a pattern of running into trouble whenever there are signs of financial improvement.

Bonded Labor Issue Explored

9L1S0642C Lahore *VIEWPOINT* in English
14 Feb 91 pp 29-30

[Article by Alys Faiz: "Children of the Bhatta Mazdoor"]

[Text] Driving along the road leading from Lahore to Pattoki, one counts endless tall chimneys, belching forth black smoke from the brick kilns. Here work our bonded labourers; there are thousands upon thousands of them throughout Pakistan. The Pattoki road encompasses a small area, but it is indicative of the whole.

The Punjab has the largest number of brick kilns, and therefore the largest number of bonded families, men, women and children.

Bonded labour is one of the vilest blots on the socio-economic face of Pakistan, condemning countless people to an endless life of serfdom and debt. Yet, when one meets these men and women, one is aware of the fact that they are more militant and conscious of the exploitation they suffer than any other working-class group.

There is a growing determination amongst them that somehow the next generation, their children, must be saved from the bonded lives their parents and grandparents have been compelled to follow.

Schooling is a part solution—putting the children to school, giving them the opportunity to read and write and perhaps ultimately to find work elsewhere away from the brick kilns. It has started. The brick kiln families, with the help of foreign sponsorship and the Bhatta Mazdoor Committee, are setting up primary schools. In Sindh there are five, seven in the NWFP [North-West Frontier Province], 21 in the Punjab—eight in Faisalabad, six in Lahore, two in Kasur, five in Okara, and Sargodha and Gujrat between them have three.

Last week in the company of a Swedish friend, who has been for a long time working with the brick kiln families in Pakistan, this writer visited two typical schools in the Pattoki area. The schools were started by parents' committees; each committee contributes Rs.[rupees]200 towards the salary of their teacher, who gets Rs. 1,000, the balance being provided from foreign agency funds.

In the village of Landianwalla, adjoining a brick kiln, 50 children between the ages of five to nine gather daily, in the open. The only ground covering which can be managed is sacking or pieces of old cloth. Parents buy their children's books and pencils. Slates are used too. The teachers were trained at a training camp held last year, which the writer visited and wrote of in *VIEWPOINT*. The children are divided into classes according to age. Timings are eight to one o'clock. It is a brave, courageous effort.

Within one year, that is since the schools began, the children of all ages read. I listened to their reading, their recitation of poems and inspected their sums books.

The schools are not closed during the summer when other schools close, in order to keep the children away from work in the kilns. The teachers are matriculates, most of them related to the kiln workers. No sticks are allowed; in fact sticks are broken by the teachers in front of the class to prove that they will not be beaten. Teachers are interviewed by the Mazdoor Committee and selections made. There is also a trained 'ombudsman' who oversees the working of all schools, and settles problems.

We noticed that every third or fourth child, particularly the girls, had bright yellow streaks in his or her hair—a sure sign of malnutrition. No immunization teams have visited the schools, although the Government claims that coverage has been complete. The local UNICEF office made an effort, but the teams never arrived.

The Bhatta Mazdoor Committee will not sanction the opening of schools for boys only. This problem arose in the NWFP: the kiln workers refused to allow their girls to join. Ultimately they gave way, and they are not balanced, boys and girls in equal numbers.

A few miles further along the road to Pattoki lies a village named Azadbasti. This brick village has been built entirely by the workers themselves, and their quarters are bigger and more airy than the dreary small quarters built by the kiln owners in Landianwalla.

Here 70 children were at school, managed by one teacher. Another teacher is needed but funds do not allow it.

Several mothers met us. These were not kiln-employed but worked in Pattoki, when jobs were available, at plastering and whitewashing. Here again the children read to us, did sums for us to see, recited poems and sang. Tea was served to us in both villages by the women-folk.

More schools are needed. At least 100 applications lie in the office of the Committee, requesting teachers for new schools. Funds are not sufficient to meet the demand.

Balochistan offers special problems. The winter is too severe for brick-making to go on, hence workers migrate to Sindh or to the southern areas of Balochistan. They follow the climate.

What more can one say except that here is a community which is determined to lift itself from bondage, in spite of the fact that sending a child to school means the loss of a certain amount of income and involves payment towards the teacher's salary. During the monsoon there is no work for the kiln workers, but the schools continue.

All the families of kiln workers are on the hunger-line. They have no stable income; they live on income from the number of bricks they make. They have no protection against sickness, no security for old age, no health allowances. Debts thus build up. Putting a child on that piece of sacking means a sacrifice.

We have to provide alternatives to brick-making for the new generation or give them automatic brick-making machines, fixed salaries and health protection. Otherwise, the parents' sacrifices will have been in vain.

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